



Pakistan

Spirit of Growth



Annual Report 2018
United Distributors Pakistan Limited

United Distributors Pakistan Limited

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Contents

| | |
|--|----|
| Vission & Mission | 02 |
| Core Values | 03 |
| Company Information | 04 |
| Notice of Annual General Meeting | 06 |
| Chairman's Review | 10 |
| Directors' Report | 12 |
| Statement of Compliance With the Code of Corporate Governance | 17 |
| Review Report to the Members On Statement of Compliance with the Code Corporate Governance | 19 |
| Auditors' Report To the Members | 20 |
| Statement of Financial Position | 24 |
| Profit and Loss Account | 25 |
| Statement of Comprehensive Income | 26 |
| Statement of Changes in Equity | 27 |
| Statement of Cash Flow | 28 |
| Notes to and Forming Part of the Financial Statements | 29 |
| Pattern of Shareholding | 55 |
| Proxy Form | |

Vision

Deliver high quality solutions from the world's best sources to support our farmers community and the agricultural sector.

Mission

UDL Pakistan is a dynamic company investing in the agricultural sector for the betterment of Farmer's through its unique services & high quality products so they can get the best crop yields & high quality food for Human beings.

Core Value

"Seeking Allah's pleasure in all that we do"

"Committing ourselves to enhancing Pakistan's image"

"Serving the needs of our customers with passion, dedication & by honoring our word"

"Striving for excellence in rural & urban marketing"

"Constantly upgrading our knowledge & skills to become better professionals"

"Enriching our work environment with high levels of performance, participation & creativity"

"Upholding the spirit of individual & collective accountability"

"Rewarding quality performance"

"Nurturing openness, trust & support to guide our business policies, individual & team conduct"

"Enhancing shareholder value through long-term profitability & improving performance ratios"

Company Information

Board of Directors

Mr. Rashid Abdulla
Chairman

Mr. Asad Abdulla
Chief Executive Officer

Mr. Zubair Palwala
Director

Mr. Ayaz Abdulla
Director

Mr. S. Nadeem Ahmed
Director

Mr. Tahir Saeed
Director

Mr. M. Salman Hussain Chawala
Director

Legal Advisor

Saleem & Khan
Law Associates
Advocates/Advisors

Registered Office

United Distributors Pakistan Limited
9th Floor, NIC Building, Abbasi
Shaheed Road, Off: Shahrah-e-Faisal,
Karachi
Web: www.udpl.com.pk
email: info@udpl.com.pk

Company Secretary

Mr. Adnan Ahmed Feroze
Company Secretary

Audit Committee

Mr. Tahir Saeed
Chairman

Mr. Zubair Palwala
Member

Mr. Ayaz Abdulla
Member

Auditors

A. F. Ferguson & Co.,
Chartered Accountants
State Life Building No. 1-C, I.I.
Chundrigar road, P.O. Box 4716,
Karachi - 74000, Pakistan

Registrar

Central Depository Company of
Pakistan Ltd.
CDC House # 99-B, Block 'B'
S.M.C.H.S, Main Shahrah-e-Faisal,
Karachi

CFO

Mr. Sohail Hasnain Ahmed
Chief Financial Officer

HR, & Remuneration Committee

Mr. M. Salman Hussain Chawala
Chairman

Mr. Zubair Palwala
Member

Mr. Ayaz Abdulla
Member

Bankers

Standard Chartered Bank Pakistan
Habib Metropolitan Bank Limited
Habib Bank Limited
Silk Bank Limited
Muslim Commercial Bank Limited

Notice of Annual General Meeting

Notice is hereby given that the 36th Annual General Meeting of UNITED DISTRIBUTORS PAKISTAN LIMITED will be held at Institute of Chartered Accountants of Pakistan, Chartered Accountants Avenue, Karachi on Thursday, October 25, 2018 at 2:30 p.m. to transact the following business:

- To confirm the minutes of the last Annual General Meeting held on October 25, 2017
- To receive, consider and approve the audited financial statements of the Company for the year ended June 30, 2018 together with the Directors' and Auditors' reports thereon.
- To consider and approve payment of final cash dividend @2.5% i.e. Rs. 0.25 per Share, as recommended by the Board of Directors
- To appoint Auditors and fix their remuneration for the year 2018-2019. The present Auditors A.F Ferguson & Co., Chartered Accountants retire and being eligible, offer themselves for the re-appointment as auditors of the Company.

SPECIAL BUSINESS

- To approve the issue of bonus shares in the ratio of fifteen shares for every hundred shares held i.e. 15% as recommended by the board of directors and, if thought appropriate to pass with or without modification(s) the following resolution as ordinary resolution:

"RESOLVED that a sum of RS. 40,005,060 out of the un-appropriated profits of the Company be capitalized and applied towards the issue of 4,000,506 ordinary shares of Rs. 10/- each and allotted as fully paid bonus shares to the members who are registered in the books of the Company as at the close of business on October 18, 2018, in proportion of Fifteen shares for every hundred ordinary shares held and that such new shares shall rank pari passu with the existing ordinary shares

FURTHER RESOLVED that in the event of any member becoming entitled to a fraction of a share, the Directors be and are hereby authorized to consolidate all such fractions and sell the shares so constituted on the Stock Market and to pay the proceeds of the sale when realized to a recognized charitable institution as may be selected by the Directors of the Company

- FURTHER RESOLVED that the Company Secretary be and is hereby authorized to take all necessary actions on behalf of the Company for allotment and distribution of the said bonus shares as he think fit."

To consider and if thought fit, to pass with or without modification(s) the following resolution as an ordinary resolution:

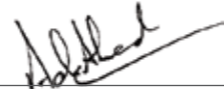
"RESOLVED that the transactions carried out by the Company in the normal course of business with related parties during the year ended June 30, 2018 be and are hereby ratified, approved and confirmed

FURTHER RESOLVED that the Chief Executive Officer of the Company be and is hereby authorized to approve all the transactions carried out and to be carried out in the normal course of business with the related parties till the next annual general meeting of the Company and in this connection the Chief Executive Officer of the Company be and is hereby authorized to take any or all necessary actions and sign/execute any and all such documents/indentures as may be required in this regard on behalf of the Company."

OTHER BUSINESS

- To transact any other business with the permission of the Chair.

By Order of the Board



ADNAN AHMED FEROZE
Company Secretary

Karachi: October 04, 2018

Statement of material facts under section 134(3) of the Companies Act, 2017 regarding the Special Business:

ITEM 5 OF THE AGENDA

The Directors of the Company are of the view that the Company's financial position justifies issuance of bonus shares in the ratio of fifteen shares for every hundred shares held

The Directors are interested in the business to the extent of the entitlement of bonus shares as shareholders

ITEM 6 OF THE AGENDA

All Transactions of the Company with the related parties were reviewed by the audit committee quarterly and now submitted for approval and adoption for full year

NOTES:

- The Share transfer books of the Company will remain closed from October 19, 2018 to October 25, 2018(both days inclusive). Transfer (if any) should be received at the office of our Registrar M/ s Central Depository Company of Pakistan Limited, CDC House 99 B, Block B, S.M.C.H.S, Main Shahrah-e-Faisal Karachi, latest by the close of business on October 18, 2018.
- A member entitled to attend and vote at this meeting may appoint a proxy to attend and vote on his/ her behalf. A proxy need not be a member of the Company.
- Proxies in order to be effective must be received by the Company's Registrar not less than 48 hours before the meeting.
- Members are requested to notify any changes in their addresses immediately to the Company's Share Registrar, M/s Central Depository Company of Pakistan Limited.
- In pursuance of the Circular No. 1 of 2000 of SECP dated January 26th, 2000 beneficial owners of the shares

registered in the name of Central Depository Company (CDC) and / or their proxies are required to produce their Computerized National Identity Card (CNIC) or passport for identification purpose at the time of attending the meeting.

- Proxy form must be submitted with the Company within the stipulated time, duly witnessed by two persons whose names, addresses and CNIC numbers must be mentioned on the form, along with attested copies of the CNIC or passport of the beneficial owner and the proxy.
- In case of corporate entity, the Board of Directors' resolution/ power of attorney with the specimen signature of the proxy holder shall be submitted (unless it has been provided earlier) along with proxy form to the Company.
- In accordance with the provisions of Section 242 of the Companies Act and Companies (Distribution of Dividends), Regulation 2017, a listed company is required to pay cash dividend to the Shareholders only through electronic mode directly into the bank account designated by the entitled shareholders.

The shareholders are requested to fill in "Electronic Credit Mandate Form" as reproduced below and send it duly signed along with a copy of Valid CNIC to their respective CDC participant/ CDC Investor Account Services (in case of shareholding in Book Entry Form) or to Company's Share Registrar M/s Central Depository Company of Pakistan Limited, CDC House, 99-B, Block 'B' S.M.C.H.S. Main Shahrah-e-Faisal, Karachi- 74400 (in case of shareholding in Physical Form)

| 1) Shareholders Details | |
|--|--|
| Name of Shareholder(s) | |
| Folio No./ CDS Account No.(s) | |
| CNIC No. (Copy attached) | |
| Mobile/ Landline No. | |
| 2) Shareholders' Bank Details | |
| Title of Bank Account | |
| International Bank Account Number (IBAN) | |
| Bank's Name | |
| Branch's Name and Address | |

In case of non-provision of IBAN, the Company will have to

withhold the cash dividend according to SECP directives

9. Please note that under section 150 of the Income Tax Ordinance, 2001 prescribed withholding tax on dividend income to be conducted for 'Filer' and 'Non-Filer' shareholders @ 15% and 20% respectively. According to clarification received from Federal Board of Revenue (FBR) withholding tax will be determined separately on 'Filer/Non-Filer' status of Principal shareholder as well as joint Holder(s) based on their shareholding proportions, in case of joint accounts.

In this regard, all shareholders who hold shares with joint shareholders are requested to provide shareholding proportions of Principal Shareholder and Joint Holder(s) in respect of shares held by them to our Registrar. The required information must reach to our Share Registrar by October 22, 2018; otherwise it will be assumed that the shares are equally held by Principal Shareholder and Joint Holder(s).

In this regard, all shareholders who hold shares with joint shareholders are requested to provide shareholding proportions of Principal Shareholder and Joint Holder(s) in respect of shares held by them to our Registrar. The required information must reach to our Share Registrar by October 22, 2018; otherwise it will be assumed that the shares are equally held by Principal Shareholder and Joint Holder(s)

Shareholders are also requested to please check and ensure Filer status from Active Taxpayers List (ATL) available at FBR website <http://www.fbr.gov.pk/as> as well as ensure that their CNIC/ Passport number has been recorded by the Participant/ Investor Services or by Share Registrar (in case of Physical Shareholding). Corporate bodies (non-individual shareholders) should ensure that their names and National Tax Numbers (NTN) are available in ATL at FBR website and recorded by respective Participant/ Investor Account Services or in case of physical shareholding by Company's Share Registrar

10. As per FBR Circulars C No. 1(29) WHT/2006 dated June 30, 2010 and C No. 1(43) DG WHT/2008-Vol. II-66417-R dated May 12, 2015, the valid exemption certificate is mandatory to claim exemption of withholding tax U/S 150 of the Income Tax Ordinance 2001 (Tax on dividend amount) where the statutory exemption under Clause 47B of Part IV of Second Schedule is available. The Shareholders who fall in the category mentioned in the above clause and want to avail

exemption U/S 150 of the Ordinance, must provide valid Tax Exemption Certificate to our Share Registrar before bookclosure, otherwise tax will be deducted on dividend as per applicable rates.

11. Members desiring non- deduction of zakat are requested to submit a valid declaration for non-deduction of zakat.
12. Shareholders, who by any reason, could not claim their dividend or bonus shares or did not collect their physical shares are advised to contact our Share Registrar M/s Central Depository Company of Pakistan Limited, to collect/inquire about their unclaimed dividend or pending shares, if any please note that in compliance with Section 244 of the Companies act, 2017, after having completed the stipulated procedure, all dividends unclaimed for a period of three years, from the due date and payable shall be deposited to the credit of the Federal Government and in case of shares, shall be delivered to the Securities and Exchange Commission of Pakistan.
13. Members may participate in the meeting via video-link subject to availability of this facility in that city and consent from members (form titled as "Consent for Video Conference" is available on Company's website). The members must hold in aggregate 10% or more shareholding residing in that city and consent of shareholders must reach at the registered address of the Company at least 10 days prior to the general meeting in order to participate in the meeting through video conference. The Company will intimate members regarding venue of video conference facility at least 5 days before the date of general meeting along with complete information necessary to enable them to access such facility.

Review report by the Chairman

The United Distributors Pakistan Ltd. complies with all the requirements set out in the Companies Act, 2017 and the Listed Companies (Code of Corporate Governance) Regulations, 2017 with respect to the composition, procedures and meetings of the Board of Directors and its committees. As required under the Code of Corporate Governance, an annual evaluation of the Board of Directors of (the "Board") of the Company is in place. The purpose of this evaluation is to ensure that the Board's overall performance and effectiveness is measured and benchmarked against expectations in the context of objectives set for the Company. Areas where improvements are required are duly considered and action plans are framed and implemented accordingly.

The overall performance of the Board measured on the basis of approved criteria for the year ended June 30, 2018 was satisfactory.

The overall assessment as satisfactory is based on an evaluation of the following integral components, which have a direct bearing on the Board's role in achievement of Company's objectives:

- Vision, mission and values:** The Board members are familiar with the current vision, mission and values and support them. The Board revisits the mission and vision statement from time to time.
- Engagement in strategic planning:** The Board has a clear understanding of the stakeholders (shareholders, customers, employees, vendors, society at large) whom the Company serves. The Board has a strategic vision that how the Organization should evolve over the next three to five years. Further, the Board sets annual goals and targets for the management in all major performance areas.
- Diligence:** The Board members diligently performed their duties and thoroughly reviewed, discussed and approved business strategies, corporate objectives, plans, budgets, financial statements and other reports. It received clear and succinct agendas and supporting written material in sufficient time prior to Board and committee meetings. The Board met frequently enough to adequately discharge its responsibilities.
- Monitoring of Organization's business activities:** The Board remained updated with respect to achievement of Company's objectives, goals, strategies and financial performance through regular presentations by the management, internal and external auditors and other independent consultants. The Board provided appropriate direction and oversight on a timely basis.
- Diversity and mix:** The Board members effectively bring the diversity to the Board and constitute a mix of independent and non-executive directors. The non executive and independent directors were equally involved in important board decisions.
- Governance and Control Environment:** The Board has effectively set the tone at the top, by putting in place a transparent and robust system of governance. This is reflected by setting up an effective control environment, compliance with best practices of Corporate Governance and by promoting ethical and fair behavior across the Company.

For and on behalf of the Board



RASHID ABDULLA
Chairman

Karachi: September 27, 2018

چیرمین کی جانب سے جائزہ رپورٹ

یونائیٹڈ سٹری بیوٹرز پاکستان لمیٹڈ کمپنیز ایکٹ ۲۰۱۷ء اور مرتب کردہ کمپنی کے ضوابط (ادارتی انتظامی نظم و ضبط)، ۲۰۱۷ء کے تمام درکار ضروریات کی پیروی کرتا ہے جو ساخت، طریقہ کار اور مجلس منتظمین کے اجلاس اور اس کی کمیٹیوں کے سلسلے میں ہے۔ کمپنی کی مجلس منتظمین ("بورڈ") کا ایک سالانہ تجزیہ موجود ہے جیسا کہ ادارتی انتظامی نظم و ضبط کے تحت درکار ہے۔ اس تجزیے کا مقصد یہ یقینی بنانا ہے کہ بورڈ کی مجموعی کارکردگی اور اثرات کی جانچ کی جاتی ہے اور کمپنی کے طے کردہ اہداف کے ضمن میں اس کا موازنہ کیا جاتا ہے۔

۲۔ حکمت عملی منصوبہ سے وابستگی: بورڈ اپنے اسٹیک ہولڈرز (حصص یافتگان، صارفین، ملازمین، مالکان، خصوصاً معاشرہ) کی واضح سمجھ رکھتا ہے جن کیلئے کمپنی کام کرتی ہے۔ یہ بورڈ ایک حکمت عملی کا نقطہ نظر رکھتا ہے کہ اگلے تین یا پانچ سالوں میں کمپنی کا ارتقاء کیسے ہونا چاہئے۔ مزید یہ کہ، بورڈ تمام اہم کارکردگی مقامات کے انتظام کیلئے سالانہ مقاصد اور اہداف طے کرتا ہے۔

۳۔ جانفشانی: بورڈ کے ارکان نے اپنے فرائض جانفشانی سے انجام دیئے اور مکمل طور پر جائزہ لیا، تبادلہ خیال کیا اور کاروباری حکمت عملی، ادارتی اہداف، منصوبے، بجٹ، مالیات تفصیلات اور دیگر رپورٹ کو منظور کیا۔ اس نے واضح اور جامع منصوبوں اور تحریری مواد کو مناسب وقت پر بورڈ اور کمیٹی کے اجلاس سے قبل حاصل کیا۔ بورڈ نے اپنے فرائض کی مناسب انجام دہی کیلئے اکثر اوقات ملاقات کی۔

۴۔ ادارے کی کاروباری سرگرمیوں کی نگرانی: بورڈ کمپنی کے مقاصد، اہداف، حکمت عملی اور مالیاتی کارکردگی کے حصول کے لئے انتظامیہ سے باقاعدہ احوال، اندرونی اور بیرونی محاسب کاروں اور دیگر آزاد مشیروں کے ذریعے باخبر رہا۔ بورڈ نے بروقت بنیاد پر موزوں ہدایات اور فریگزیشن اشت مہیا کیں۔

۵۔ یکسانیت اور ہم آہنگی: بورڈ کے ارکان مؤثر طریقے سے بورڈ میں یکسانیت لاتے ہیں اور آزاد اور غیر اعلیٰ منتظمین میں ہم آہنگی تشکیل دیتے ہیں۔ غیر اعلیٰ عہدیدار اور آزاد منتظمین بورڈ کے اہم فیصلوں میں برابر کے شامل رہے۔

۶۔ انتظامی اور ماحولیاتی نگرانی: بورڈ نے شفاف اور مضبوط انتظامی نظام قائم کرتے ہوئے ایک مؤثر فراخ دلانہ ماحول طے کیا۔ یہ ایک مؤثر ماحولیاتی نگرانی، ادارتی انتظام کے کاموں پر بہتر تعمیل اور پوری کمپنی میں اخلاقیات اور شفاف طرز عمل کو فروغ دینے کا نتیجہ ہے۔

برائے اور بورڈ کی جانب سے



راشد عبداللہ
چیرمین

کراچی: ۲۷ ستمبر ۲۰۱۸ء

۱۔ نقطہ نظر، عزم اور اقدار: بورڈ کے ارکان حالیہ نقطہ نظر، عزم اور اقدار سے آگاہ ہیں اور ان کی حمایت کرتے ہیں۔ بورڈ اس عزم اور نقطہ نظر کی تفصیلات پر وقتاً فوقتاً نظر ثانی کرتا ہے۔

Directors' Report

The Board of Directors of United Distributors Pakistan Limited (UDPL) takes pleasure in presenting this report, together with the Audited Financial Statements of the Company for the year ended June 30, 2018.

This report is to be submitted to the members at the 36th Annual General Meeting of the Company to be held on October 25, 2018.

THE BOARD OF DIRECTORS OF THE COMPANY AS AT JUNE 30, 2018 CONSIST OF:

| S.No. | Directors: | Total Number of Directors |
|-------|------------|---------------------------|
| a). | Male | 07 |
| b). | Female | - |

| S.No. | Composition: | Total Number of Directors |
|-------|-------------------------------|---------------------------|
| i). | Independent Directors | 02 |
| ii). | Other non-executive directors | 04 |
| iii). | Executive | 01 |

The name of directors as at June 30, 2018 are as follows:

- Mr. Tahir Saeed
- Mr. Salman Hussain Chawala
- Mr. Rashid Abdulla
- Mr. Ayaz Abdulla

* اُردو کے لئے آخری صفحات ملاحظہ فرمائیے۔

- Mr. S. Nadeem Ahmed
- Mr. Zubair Palwala
- Mr. Asad Abdulla

BUSINESS PERFORMANCE

The Company registers positive outlook for the year under review and remains committed to deliver on its long term objectives of sustainable growth and maximizing value creation. These objectives are being achieved by focusing business resources to strengthening products portfolio, achieve operational excellence, optimize cost structure, and investment in expansion of territories and technologies.

As a result of these efforts, the performance of the Company for the year ended June 30, 2018 has shown considerable improvement from the previous year and is in line with the plans and objectives of the Company.

Financial performance of the Company for the year ended June 30, 2018 is summarized below:

| Particulars | FY 2017-18 | FY 2016-17 | % Changes |
|------------------------------|------------|------------|-----------|
| ----- [Rupees in '000] ----- | | | |
| Net sales | 451,049 | 399,687 | 12.85 % |
| Gross profit | 186,817 | 154,749 | 20.72 % |
| Operating profit | 23,435 | 19,809 | 18.30 % |
| Profit before taxation | 223,972 | 185,526 | 20.72 % |
| Profit after taxation | 166,439 | 156,249 | 6.52 % |
| Earning per share in Rs. | 6.24 | 5.86 | 6.48 % |

- Net sales of the Company amounted to Rs 451 million, registering a growth of 12.85% over the corresponding period of the last year.
- Gross profit of the Company grew by 20.72% and stood at 41.41% as compared with 38.71% of the corresponding period of the prior year.
- Operating profit, profit before taxation and profit after taxation, of the company increased significantly by 18.30%, 20.72% and 6.52% respectively.

The growth in sales and profitability was mainly driven by healthy sales contribution of new molecules/mixtures, better sales mix, branding efforts by changing the outlook of the products along with marketing of high quality products and other operational measures.

Marketing and distribution expenses increased by 14.28% over the corresponding period of previous year which is attributable to higher sales volume, spending on expansion of territories and cost of

focused field works. Administrative expenses registered an increase of 19.79% over the corresponding period primarily due to an increase in personnel cost, donation payment and general inflation. The significant increase in other operating expenses by Rs.754 million arose due to exchange loss borne by the Company at the settlement of imports payments.

EARNINGS PER SHARE

Basic earnings per share after taxation is Rs.6.24 (2017: Rs. 5.86). This increase in EPS is due to the increase in operating profit and share of profit from associates.

There is no dilution effect on the basic earnings per share of the Company, as the Company doesn't have any convertible instruments in issue as at June 30, 2018 and 2017.

SHARE OF PROFIT FROM ASSOCIATES

During the year 2017-18, the Company recognized share of profit from associate - FMC United (Private) Limited in accordance with the International Accounting Standard 28 - 'Investment in Associates and Joint Ventures'. UDPL holds a 40% equity stake in FMC United (Private) Ltd.

EMPHASIS OF THE MATTER PARAGRAPH IN AUDITORS' REPORT

The auditors' in their report have drawn attention to Note # 6.3 that the Company is holding 11,079,852 shares of the holding company.

This was not a direct investment in the holding company. The shareholders in their meeting held on February 14, 2011, approved a special resolution for swapping of its investment from one of its associates to IBL, and the same was also approved through a scheme of arrangement approved by the Honorable High Court of Sindh.

PRINCIPAL RISKS AND UNCERTAINTIES

Despite the fact that the Company's financial performance is exceptional from the past few years and the Company successfully crossed all the barriers in its way to continue its journey of success. Still competition and exchange rate will be vital factors that may have an impact on the future financial statements of the Company.

HOLDING COMPANY

International Brands Limited- IBL is the Holding Company of United Distributors Pakistan Ltd which holds 70.46% shareholding in the Company, as at June 30, 2018. IBL holds 18,791,155 shares of Rs.10 each.

DIVIDEND

The Board of Directors has observed that the majority profit of the Company for the year ended June 30, 2018 comprises of significant amount of income under the head 'Share of profit from associate' which

has not been realized in the form of dividend income from the associate. However, the Board of Directors in its meeting held on September 27, 2018 has recommended 2.5% (Rs.0.25 per share) cash dividend and 15% (in the proportion 15 shares for every 100 shares held) Stock dividend the year ended June 30, 2018.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

UDPL has a firm commitment for the betterment of all our stakeholders including the society we live in. We, at UDPL consider it as an important ingredient of long term success. Accordingly, a CSR plan is in plan to for the welfare of its employees along with society in general.

INFORMATION TECHNOLOGY

The Company believes that Information technology allows the company to work more efficiently and to maximize productivity. Information technology facilitates faster communication, sharing of information, analysis of data and decision making.

The Company endeavors to upgrade its information systems in line with growing needs of the business along with rapid technological advancements taking place in the field of information technology. The major investment in information technology which we are concluding on is the implementation of 'SAP' which is currently one of the most power full information management system.

WEBSITE

All our stake holders and general public can visit the United Distributor Pakistan Limited (UDPL) website, www.udpl.com.pk which has contains information related to company's products, annual, half yearly and quarterly financial statements.

SUBSEQUENT EVENT

There have been no material changes since June 30, 2018 to date of the report and the Company has not entered into any commitment during this period, which would have an adverse impact on the financial position of the Company.

CORPORATE AND FINANCIAL REPORTING FRAMEWORK

The Board is pleased to state that the management of the Company is compliant with the best practices of Corporate Governance. The Board acknowledges its responsibilities in respect of the corporate and financial reporting framework and thus states that:

- The financial statements, prepared by the management of the Company present fairly its state of affairs, the result of its operations, cash flows and changes in equity.
- The Company has maintained proper books of account.

- Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgments.
- International Financial Reporting Standards, as applicable in Pakistan, have been duly followed in preparation of financial statements.
- The system of internal control is sound in design and has been effectively implemented and monitored. The process of monitoring internal controls will continue as an ongoing process with the objective to further strengthen the controls and bring improvements in the system.
- There are no significant doubts upon the Company's ability to continue as a going concern.
- There has been no material departure from the best practices of corporate governance as detailed in the Pakistan Stock Exchange Rule Book.
- The management of the Company is committed to good corporate governance and appropriate steps are taken to comply with best practices.
- There has been no material departure from the best practices of corporate governance as detailed in listing regulations.

DIRECTORS' TRAINING PROGRAM

All Directors' on UDPL board is appropriately certified from SECP approved institution. Mr. Rashid Abdulla is exempt from the training requirement of SECP due to his 40 years vast experience as the CEO of the group of companies. The following Directors hold certification from SECP approved institution:

- Mr. S. Nadeem Ahmed
- Mr. Zubair Palwala
- Mr. Asad Abdulla
- Mr. Ayaz Abdulla
- Mr. Salman Chawala
- Mr. Tahir Saeed

EMPLOYEE'S RETIREMENT BENEFIT SCHEME

The Company provides terminal benefits to its employees in the form of provident fund. This funded benefit is maintained duly approved Trusts. These Trusts are managed by the trustees who get the Funds audited.

The value of investment of provident fund based on their audited accounts as on June 30, 2018 and as on June 30, 2017 respectively was as follows:

| | 2018 | 2017 |
|---|-------------------------------|---------|
| | ----- (Rupees in '000') ----- | |
| Fair value of provident fund investment | 115,418 | 129,902 |

AUDIT COMMITTEE

The Committee comprises of three members all of them are non-executive Directors including the Chairman of the Committee.

The terms of reference of the Committee have been determined by the Board of Directors in accordance with guidelines provided in the Pakistan Stock Exchange Rule Book and advised to the Committee for compliance. The Committee held four meetings during the year.

| S.No. | Name Of Directors | Number of Meetings Attended |
|-------|--------------------|-----------------------------|
| 01. | Mr. Tahir Saeed | 3 |
| 02. | Mr. Ayaz Abdulla | 4 |
| 03. | Mr. Zubair Palwala | 4 |

MEETINGS OF BOARD OF DIRECTORS

During the year, five meetings of the Board of Directors were held. Attendance by each Director was as under:

| S.No. | Name Of Directors | Number of Meetings Attended |
|-------|----------------------------|-----------------------------|
| 01. | Mr. Rashid Abdulla | 3 |
| 02. | Mr. Asad Abdulla | 4 |
| 03. | Mr. Zubair Palwala | 5 |
| 04. | Mr. S. Nadeem Ahmed | 5 |
| 05. | Mr. Ayaz Abdulla | 4 |
| 06. | Mr. Tahir Saeed | 4 |
| 07. | Mr. Salman Hussain Chawala | 4 |

Further, Leave of absence was granted to the Directors who could not attend some of the Board Meetings.

HUMAN RESOURCE AND REMUNERATION COMMITTEE

The committee met once during the year. The Board in accordance with the Code of Corporate Governance has also constituted a Human Resource and Remuneration Committee, comprising of the following three Directors:

- Mr. Salman Hussain Chawala
- Mr. Ayaz Abdulla
- Mr. Zubair Palwala

INTERNAL AUDITORS

The internal control framework has been effectively implemented through outsourcing the Internal Audit function to BDO Ebrahim & Co., Chartered Accountants which is independent of the External Audit function.

The Board of Audit Committee quarterly reviews the appropriateness of resources and authority of this function. The Head of Internal Audit functionally reports to the Audit Committee. The Board Audit Committee approves the audit plan, based on annual and quarterly assessment of the operating areas. The Internal audit function carries out reviews on the financial, operational and compliance controls, and reports on findings to the Board Audit Committee, Chief Executive and divisional management.

STATUTORY AUDITORS

The present auditor, A.F Ferguson & Co., Chartered Accountants, retires and being eligible, offer themselves for re-appointment. The Board of Directors endorses recommendation of the Audit Committee for their re-appointment as statutory auditors of the Company for the financial year ending June 30, 2019 at a fee to be mutually agreed.

PATTERN OF SHAREHOLDING

The pattern of Shareholding of the Company as at June 30th, 2018, along with the necessary information is annexed to this report.

There were 1,545 shareholders on the record of the Company as at 30th June 2018.

FUTURE OUTLOOK

We aim to keep on our journey for the betterment of farmers through our unique services and high quality products to enable them in getting the best crop yields and high quality of food for human beings. Although, the competitive scenario of the agriculture sector has intensified, the Company is taking measures to enhance its competitive position and fuel its growth.

We expect to evolve as a company with an enriched mix of pesticides and fertilizers.

We continue to focus and invest on fundamental strengths i.e. our team, new brands, product registrations, enhancing the customer base, and reduction in operating expenses which will enable us to achieve sustainable growth.

ACKNOWLEDGMENTS

The Directors would like to express their gratitude to the Customer, Bankers and other Stakeholders for their continued support and encouragement and also place on record the appreciation of the valuable services rendered by the employees of the Company.

For and on behalf of the Board



ASAD ABDULLA
Chief Executive officer

Karachi: September 27, 2018

SUMMARY OF KEY OPERATING AND FINANCIAL DATA OF SIX YEARS AT A GLANCE

Below is a summary of key operating and financial results for six years and includes the financial results for the year under review:

| | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
|--|------------------|------------------|------------------|----------------|----------------|----------------|
| ----- (Rupees in '000') ----- | | | | | | |
| ASSETS EMPLOYED | | | | | | |
| Property, plant and equipment | 19,537 | 27,402 | 19,910 | 35,001 | 39,054 | 36,896 |
| Intangible assets | 5,915 | 5,317 | 4,158 | 248 | 594 | 1,078 |
| Long-term investments | 1,257,612 | 1,153,542 | 1,004,720 | 790,774 | 581,908 | 369,734 |
| Long-term loans and deposits | 4,424 | 3,942 | 2,550 | 2,325 | 2,766 | 15 |
| Net current assets | 112,801 | 79,306 | 75,261 | 82,332 | 113,997 | 22,399 |
| Total assets employed | 1,400,289 | 1,269,509 | 1,106,599 | 910,680 | 738,319 | 430,122 |
| FINANCED BY | | | | | | |
| Issued, subscribed and paid up capital | 266,702 | 242,456 | 202,047 | 183,679 | 183,679 | 91,839 |
| Reserve and un-appropriated profit | 998,056 | 929,180 | 831,610 | 676,276 | 525,944 | 317,121 |
| Shareholder's equity | 1,264,758 | 1,171,636 | 1,033,657 | 859,955 | 709,623 | 408,960 |
| Long term and deferred liabilities | 135,531 | 97,873 | 72,942 | 50,725 | 28,696 | 21,162 |
| Total capital employed | 1,400,289 | 1,269,509 | 1,106,599 | 910,680 | 738,319 | 430,122 |
| Turnover | 451,049 | 399,687 | 335,352 | 339,619 | 402,921 | 369,847 |
| Profit before tax | 223,972 | 185,526 | 150,894 | 137,683 | 94,844 | 277,673 |
| Profit after tax | 166,439 | 156,249 | 109,768 | 116,942 | 110,308 | 277,174 |
| Earning per share - Rs. | 6.24 | 5.86 | 4.12 | 4.38 | 4.14 | 10.39 |
| Profit % of turnover | 36.90% | 39.09% | 32.73% | 34.43% | 27.38% | 74.94% |
| Profit % of capital employed | 11.89% | 12.31% | 9.92% | 12.84% | 14.94% | 64.44% |
| DIVIDEND | | | | | | |
| Cash (%) | 2.5% | 0% | 0% | 0% | 0% | 0% |
| Stock (%) | 15% | 10% | 20% | 10% | 0% | 0% |
| Bonus stock amount | 40,005 | 24,246 | 40,409 | 18,368 | 0% | 0% |

Statement of Compliance with the with Listed Companies (Code of Corporate Governance) Regulations, 2017

For the year ended June 30, 2018

The Company has complied with the requirements of the Regulations in the following manner:

- The total number of directors are 7 as per the following:

| Directors | Total No. of Directors |
|-----------|------------------------|
| a) Male | 07 |
| b) Female | - |

- The composition of the board is as follows:

| Category | Name of Director |
|-------------------------|--|
| Independent Director | Mr. M. Salman Hussain Chawala Mr. Tahir Saeed |
| Executive Directors | Mr. Asad Abdulla |
| Non-Executive Directors | Mr. Rashid Abdulla Mr. S. Nadeem Ahmed Mr. Zubair Razzak Palwala Mr. Ayaz Abdulla |

- The Directors have confirmed that none of them is serving as a director on the board of more than five listed companies, including this company (excluding the listed subsidiaries of listed holding companies where applicable).

- The company has prepared a "Code of Conduct" and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures.
- The board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
- All the powers of the board have been duly exercised and decisions on relevant matters have been taken by the board/shareholders as empowered by the relevant provisions of the Act and these Regulations.
- The meetings of the Board were presided over by the Chairman and, in his absence, by the Director elected by the Board for this purpose. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the board.
- The board of directors have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
- All directors (except one) are either exempted or have attended the required training in prior years.
- The board has approved the appointment of the CFO, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations. The qualification of the CFO appointed during the year falls under clause 23 (c) of the Regulations. Under this clause the company is required to apply to Securities and Exchange Commission of Pakistan to determine suitability of the candidate, which application has been filed subsequently.
- CFO and CEO duly endorsed the financial statements before approval of the board.
- The board has formed committees comprising of members given below:

Audit Committee

| Name | Category |
|--|---------------------------------|
| Mr. Tahir Saeed Mr. Zubair Razzak Palwala Mr. Ayaz Abdulla | Chairperson Member Member |

HR and Remuneration Committee

| Name | Category |
|--|---------------------------------|
| Mr. M. Salman Hussain Chawala Mr. Zubair Razzak Palwala Mr. Ayaz Abdulla | Chairperson Member Member |

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.
14. The frequency of meetings of the committee were as per the following:
 - a) Audit Committee: Four quarterly meetings during the financial year ended June 30, 2018
 - b) HR & R Committee: One meeting during the financial year ended June 30, 2018
15. The Board has outsourced the internal audit function to BDO Ebrahim & Co., Chartered Accountants who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company.
16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the quality control review program of the ICAP and registered with Audit Oversight Board of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP.
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
18. We confirm that all other requirements of the Regulations have been complied with.

Karachi: October 04, 2018



RASHID ABDULLA
 Chairman

Review report to the Members

Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2017

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2017 (the Regulations) prepared by the Board of Directors of United Distributors Pakistan Limited for the year ended June 30, 2018 in accordance with the requirements of regulation 40 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risk and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.



The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions and also ensure compliance with the requirements of section 208 of the Companies Act, 2017. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out procedures to access and determine the Company's process for identification of related parties and that whether the related party transactions were undertaken at arm's length price or not.

Based on our review nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2018.



Chartered Accountants
 Karachi
 Date: October 04, 2018

Auditors' Report to the Members

Report on the Audit of the Financial Statements

We have audited the annexed financial statements of United Distributors Pakistan Limited (the Company), which comprise the statement of financial position as at June 30, 2018, and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the



accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2018 and of the profit and comprehensive income, the changes in equity and its cash flows for the year then ended.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

EMPHASIS OF MATTER

We draw attention to note 6.3 to the financial statements. As stated in the note, as at June 30, 2018 the company is holding 11,079,852 shares of International Brands Limited (Holding Company), amounting to Rs. 83,663,056. Our conclusion is not qualified in respect of this matter.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following is the Key audit matter:

- (i) Companies Act, 2017
(Refer note 3.1.1 to the financial statements)

The Fourth schedule to the Companies Act, 2017 became applicable to the Company for the first time for the preparation of annual financial statements.

As part of this transition to the requirements, the management performed a gap analysis to identify differences between the previous and the current fourth schedules and as a result certain amendments relating to presentation and disclosures were made in the accompanying financial statements.

In view of the various new disclosures prepared and presented in the financial statements, we considered this as a key audit matter.

HOW THE MATTER WAS ADDRESSED IN OUR AUDIT

We reviewed and understood the requirements of the Fourth schedule to the Companies Act, 2017. Our audit procedures included the following:

- Considered the management's process to identify the additional disclosures required in the Company's financial statements;
- Obtained relevant underlying supports for the additional disclosures and assessed their appropriateness for the sufficient audit evidence; and
- Verified on test basis the supporting evidence for the additional disclosures and ensured appropriateness of the disclosures made.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include financial statements and our auditor's reports thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT AND BOARD OF DIRECTORS FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as

management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to

draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Based on our audit, we further report that in our opinion:

- (a) Proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- (b) The statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- (c) Investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- (d) No zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Syed Fahim ul Hasan.



Chartered Accountants
Karachi
Date: October 04, 2018

Statement of Financial Position

as at June 30, 2018

ASSETS

NON-CURRENT ASSETS

| | |
|-------------------------------|--|
| Property, plant and equipment | |
| Intangible assets | |
| Long-term investments | |
| Long-term loans | |
| Long-term deposits | |

CURRENT ASSETS

| | |
|---------------------------------|--|
| Inventories | |
| Trade and other receivables | |
| Loans, advances and prepayments | |
| Current tax asset | |
| Cash and bank balances | |

TOTAL ASSETS

SHARE CAPITAL AND RESERVES

SHARE CAPITAL

| | |
|--|--|
| Issued, subscribed and paid up capital | |
|--|--|

REVENUE RESERVE

| | |
|-------------------------|--|
| Un-appropriated profits | |
| General reserve | |

| | |
|--|--|
| Revaluation of available-for-sale investment | |
|--|--|

NON-CURRENT LIABILITIES

| | |
|---|--|
| Liabilities against assets subject to finance lease | |
| Deferred tax liability | |

CURRENT LIABILITIES

| | |
|--|--|
| Trade and other payables | |
| Current portion of liabilities against assets subject to finance lease | |
| Unclaimed dividend | |

TOTAL LIABILITIES

COMMITMENTS

TOTAL EQUITY AND LIABILITIES

The annexed notes 1 to 37 form an integral part of these financial statements.



ASAD ABDULLA
Chief Executive Officer



SYED NADEEM AHMED
Director

| | 2018 | 2017 |
|------|-------------------------------|------------------|
| Note | ----- (Rupees in '000') ----- | |
| 4 | 19,537 | 27,402 |
| 5 | 5,915 | 5,317 |
| 6 | 1,257,612 | 1,153,542 |
| 7 | 874 | 1,392 |
| 8 | 3,550 | 2,550 |
| | 1,287,488 | 1,190,203 |
| 9 | 152,040 | 144,548 |
| 10 | 78,655 | 75,408 |
| 11 | 4,497 | 4,090 |
| | 32,734 | 27,320 |
| 12 | 13,076 | 6,029 |
| | 281,002 | 257,395 |
| | 1,568,490 | 1,447,598 |
| 13 | 266,702 | 242,456 |
| | 879,900 | 773,457 |
| | 28,548 | 28,548 |
| | 908,448 | 802,005 |
| 14 | 89,608 | 127,175 |
| | 1,264,758 | 1,171,636 |
| 15 | 6,143 | 8,677 |
| 16 | 129,388 | 89,196 |
| | 135,531 | 97,873 |
| 17 | 163,760 | 172,764 |
| 15 | 3,708 | 4,730 |
| | 733 | 595 |
| | 168,201 | 178,089 |
| | 303,732 | 275,962 |
| 18 | 1,568,490 | 1,447,598 |



SOHAIL HASNAIN AHMED
Chief Financial Officer

Statement of Profit or Loss

for the year ended June 30, 2018

| | |
|-------------------------------------|--|
| Revenue | |
| Cost of Sales | |
| Gross Profit | |
| Other income | |
| Marketing and distribution expenses | |
| Administrative and general expenses | |
| Other operating expenses | |
| Operating profit | |

| | |
|--------------------------------|--|
| Finance cost | |
| Share of profit from associate | |

Profit before income tax

| | |
|--------------------|--|
| Income tax expense | |
|--------------------|--|

Profit for the year

| | |
|--------------------|--|
| Earnings per share | |
|--------------------|--|

The annexed notes 1 to 37 form an integral part of these financial statements.



ASAD ABDULLA
Chief Executive Officer



SYED NADEEM AHMED
Director

| | 2018 | 2017 |
|------|-------------------------------|----------------|
| Note | ----- (Rupees in '000') ----- | |
| 19 | 451,049 | 399,687 |
| 20 | (264,232) | (244,938) |
| | 186,817 | 154,749 |
| 21 | 9,483 | 8,623 |
| 22 | (138,635) | (121,304) |
| 23 | (26,455) | (22,084) |
| 24 | (7,775) | (175) |
| | 23,435 | 19,809 |
| 25 | (1,486) | (1,382) |
| 6 | 202,023 | 167,099 |
| | 223,972 | 185,526 |
| 26 | (57,533) | (29,277) |
| | 166,439 | 156,249 |
| 27 | Rs 6.24 | Rs 5.86 |



SOHAIL HASNAIN AHMED
Chief Financial Officer

Statement of Comprehensive Income

for the year ended June 30, 2018

Profit for the year

OTHER COMPREHENSIVE INCOME:

Items that will not be subsequently reclassified in Profit or Loss:

Share of remeasurements of post employment benefit obligations of associate
Deferred tax relating to component of other comprehensive loss

Items that may be subsequently reclassified in Profit or Loss:

Loss on revaluation of available for sale investment

Total comprehensive income for the year

The annexed notes 1 to 37 form an integral part of these financial statements.

| | 2018 | 2017 |
|---|-------------------------------|----------------|
| | ----- (Rupees in '000') ----- | |
| Profit for the year | 166,439 | 156,249 |
| OTHER COMPREHENSIVE INCOME: | | |
| Items that will not be subsequently reclassified in Profit or Loss: | | |
| Share of remeasurements of post employment benefit obligations of associate | (42,354) | (59) |
| Deferred tax relating to component of other comprehensive loss | 6,604 | 7 |
| | (35,750) | (52) |
| Items that may be subsequently reclassified in Profit or Loss: | | |
| Loss on revaluation of available for sale investment | (37,567) | (18,218) |
| Total comprehensive income for the year | 93,122 | 137,979 |



ASAD ABDULLA
Chief Executive Officer



SYED NADEEM AHMED
Director



SOHAIL HASNAIN AHMED
Chief Financial Officer

Statement of Changes in Equity

for the year ended June 30, 2018

Balance as at July 1, 2016

Bonus shares issued during the period in the ratio of 2 shares for every 10 shares held

Profit for the year ended June 30, 2017

Other comprehensive income for the year ended June 30, 2017

Total comprehensive income

Balance at June 30, 2017

Bonus shares issued during the period in the ratio of 1 share for every 10 shares held

Profit for the year ended June 30, 2018

Other comprehensive loss for the year ended June 30, 2018

Total comprehensive income

Balance at June 30, 2018

The annexed notes 1 to 37 form an integral part of these financial statements.

| | RESERVES | | | | Total |
|---|--|-----------------|-----------------------|--|------------------|
| | Share Capital Issued, subscribed and paid up capital | General reserve | Unappropriated Profit | Revaluation of available-for-sale investment | |
| | ----- (Rupees in '000') ----- | | | | |
| Balance as at July 1, 2016 | 202,047 | 28,548 | 657,669 | 145,393 | 1,033,657 |
| Bonus shares issued during the period in the ratio of 2 shares for every 10 shares held | 40,409 | - | (40,409) | - | - |
| Profit for the year ended June 30, 2017 | - | - | 156,249 | - | 156,249 |
| Other comprehensive income for the year ended June 30, 2017 | - | - | (52) | (18,218) | (18,270) |
| Total comprehensive income | - | - | 156,197 | (18,218) | 137,979 |
| Balance at June 30, 2017 | 242,456 | 28,548 | 773,457 | 127,175 | 1,171,636 |
| Bonus shares issued during the period in the ratio of 1 share for every 10 shares held | 24,246 | - | (24,246) | - | - |
| Profit for the year ended June 30, 2018 | - | - | 166,439 | - | 166,439 |
| Other comprehensive loss for the year ended June 30, 2018 | - | - | (35,750) | (37,567) | (73,317) |
| Total comprehensive income | - | - | 130,689 | (37,567) | 93,122 |
| Balance at June 30, 2018 | 266,702 | 28,548 | 879,900 | 89,608 | 1,264,758 |



ASAD ABDULLA
Chief Executive Officer



SYED NADEEM AHMED
Director



SOHAIL HASNAIN AHMED
Chief Financial Officer

Statement of Cash Flow

for the year ended June 30, 2018

CASH FLOWS FROM OPERATING ACTIVITIES

Cash generated from / (used in) operations
Income tax paid
Finance cost paid
Decrease in long-term loans
Increase in long-term deposits
Net cash used in operating activities

CASH FLOWS FROM INVESTING ACTIVITIES

Payments for acquisition of property, plant and equipment
Payments for acquisition of intangible asset
Payments for acquisition of short term investments
Proceeds from sale of short term investments
Dividend received
Proceeds from disposal of property and equipment
Net cash inflow from investing activities

CASH FLOW FROM FINANCING ACTIVITY

(Decrease) / increase of liabilities against assets subject to finance lease
Net increase / (decrease) in cash and cash equivalents
Cash and cash equivalents at beginning of the year
Cash and cash equivalents at end of the year

The annexed notes 1 to 37 form an integral part of these financial statements.

| | 2018 | 2017 |
|------|-------------------------------|-----------------|
| Note | ----- [Rupees in '000'] ----- | |
| 28 | 10,886 | (1,535) |
| | (16,151) | (13,398) |
| | (4,613) | (515) |
| | 518 | (1,392) |
| | (1,000) | - |
| | (10,360) | (16,840) |
| | (4,651) | (18,274) |
| | (637) | (1,221) |
| | (18,000) | (56,500) |
| | 18,056 | 57,027 |
| | 25,650 | 21,448 |
| | 1,708 | 2,506 |
| | 22,126 | 4,986 |
| | (4,719) | 7,322 |
| | 7,047 | (4,532) |
| | 6,029 | 10,561 |
| 29 | 13,076 | 6,029 |



ASAD ABDULLA
Chief Executive Officer



SYED NADEEM AHMED
Director



SOHAIL HASNAIN AHMED
Chief Financial Officer

Notes to and Forming Part of the Financial Statements

for the year ended June 30, 2018

1. THE COMPANY AND ITS OPERATIONS

United Distributors Pakistan Limited (UDPL) "the Company" was incorporated in Pakistan as a public company limited by shares and is listed on the Pakistan Stock Exchange. The registered office of the Company is situated at 9th Floor, NIC Building, Abbasi Shaheed Road, Karachi. Its principal business activities are manufacturing, trading and distribution of pesticides, fertilizers and other allied products.

The Company has a factory located at plot # 231, Sector 7/A, Korangi Industrial Area, Karachi.

The Company also has following branch offices:

- Hyderabad: Plot # D 3/4, near Dowlance Factory Hali Road, Site Area, Hyderabad
- Sukkur: Plot # B-95, near Model Worker School, Site Area, Sukkur
- Quetta: House # 237, near Aisha Masjid Block # 4, Satellite Town, Quetta
- Multan: Plot # 548, Jahangirabad, NLC Chowk 6-KM Khanewal Road, Multan
- Peshawar: Suit No. A-2/1, Tazkar Plaza, Main Dala Zak Road, Peshawar

In 2011, the IBL Group decided to adopt the holding company structure wherein International Brands Limited holds at least 55% shareholding in all the subsidiary companies. This restructuring was undertaken to provide the platform to manage the long term Group expansion strategy, corporate compliance, operational efficiency, financial arrangements and tax benefits, thereby, resulting in improved returns to the shareholders.

After the approval of the scheme of Arrangement by the Honourable Sindh High Court on May 25, 2011, International Brands Limited became the Group holding company. The operating activities of the Group Holding Company were transferred to IBL Operations (Private) Limited and separate books were opened effective July 01, 2011. As a consequence of the above restructuring, United Distributors Pakistan Limited received 5,504,149 shares of International Brands Limited (the holding company).

2. SUMMARY OF SIGNIFICANT EVENTS AND TRANSACTIONS IN THE CURRENT REPORTING PERIOD

The Company's financial position and performance was particularly affected by the following events and transactions during the reporting period:

- Due to devaluation of Pak Rupee during the year ended June 30, 2018, the Company suffered exchange loss amounting to Rs. 755 million for liabilities denominated in US Dollar, refer note 24.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

3.1 BASIS OF PREPARATION

3.1.1 Statement of Compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and

- Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

3.1.2 Critical Accounting Estimates and Judgements

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies.

The matter involving a higher degree of judgement or complexity, or area where assumptions and estimates are significant to the financial statements is income tax.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

There have been no critical judgements made by the Company's management in applying the accounting policies that would have significant effect on the amounts recognised in the financial statements

3.1.3 Changes in accounting standards, interpretations and pronouncements

a) Standards, interpretations and amendments to published approved accounting standards that are effective and relevant

The Companies Act, 2017 (the Act) has also brought certain changes with regard to preparation and presentation of financial statements of the Company. These changes also include change in nomenclature of primary statements, etc.

Further, the disclosure requirements contained in the fourth schedule to the Act have been revised, resulting in the:

- Elimination of duplicative disclosures with the IFRS disclosure requirements; and
- Incorporation of significant additional disclosures.

Keeping in view of the above, the presentation of these financial statements has been realigned with the provisions contained in the Act. The application of the Act, however, does not have any impact on the recognition and measurement of the amounts included in these financial statements of the Company.

b) Standards, interpretations and amendments to published approved accounting standards that are effective but not relevant

Except as stated above, the new standards, amendments and interpretations that are mandatory for accounting periods beginning on or after July 1, 2017 are considered not to be relevant to Company's financial statements and hence have not been detailed here.

c) Standards, interpretations and amendments to published approved accounting standards that are not yet effective but relevant

The following are the new standards, amendments to existing approved accounting standards and new interpretations that will be effective for the periods beginning on or after July 1, 2018 that may have an impact on the financial statements of the Company.

IFRS 9 'Financial instruments' - This standard replaces the guidance in IAS 39 'Financial instruments: Recognition and Measurement'. It includes requirements on the classification and measurement of financial assets and liabilities; it also includes an expected credit loss model that replaces the current incurred loss impairment model.

IFRS 15 'Revenue from contracts with customers' - IFRS 15 replaces the previous revenue standards: IAS 18 Revenue, IAS 11 Construction Contracts, and the related interpretations on revenue recognition.

IFRS 15 introduces a single five-step model for revenue recognition and establishes a comprehensive framework for recognition of revenue from contracts with customers based on a core principle that an entity should recognise revenue representing the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

IFRS 16 'Leases' - IFRS 16 replaces the previous lease standard: IAS 17 Leases. It will result in almost all leases being recognised on the statement of financial position, as the distinction between operating and finance lease is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short term and low value leases.

The management is in the process of assessing the impact of changes laid down by these standards on its financial statements.

3.2 OVERALL VALUATION POLICY

These financial statements have been prepared under the historical cost convention except as disclosed in the accounting policy notes.

3.3 PROPERTY, PLANT AND EQUIPMENT

3.3.1 Owned assets

These are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

Depreciation on property, plant and equipment is charged to statement of profit or loss applying the straight-line method over the estimated useful lives of related assets. The useful lives of the assets as estimated by the management are as follows:

| | |
|--------------------------|---------------|
| — Leasehold improvements | 10 years |
| — Plant and machinery | 4 to 10 years |
| — Office equipments | 3 to 10 years |
| — Furniture and fixtures | 7 years |
| — Motor vehicles | 5 to 10 years |

Depreciation on additions to property, plant and equipment is charged from the month in which property, plant and equipment is put to use. For disposal during the year depreciation is charged up to the end of month preceding the month in which property, plant and equipment is disposed off.

Subsequent costs are included in the assets' carrying amount when it is probable that future economic benefits associated with the item will increase as a result of that expenditure, will flow to the Company and the cost can be measured reliably.

Gains and losses on disposal of fixed assets are included in statement of profit or loss.

Maintenance and normal repairs are charged to statement of profit or loss as and when incurred. Major renewals and improvements are capitalised and the assets so replaced, if any, are retired.

3.3.2 Leased assets

Lease that transfers substantially all the risks and rewards incidental to ownership of assets are classified as finance lease. Finance lease is capitalised at the inception of the lease term at the lower of fair value of the leased assets and the present value of minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to similar owned asset. Outstanding obligations under the lease less finance cost allocated to future periods are shown as a liability.

Finance cost under lease agreements are allocated to the periods during the lease term so as to produce a constant periodic rate of finance cost on the remaining balance of principal liability for each period.

Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term.

3.4 INTANGIBLE ASSETS

These are stated at cost less accumulated amortisation and impairment, if any. Generally, costs associated with maintaining computer

software programs are recognised as an expense as incurred. However, costs that are directly associated with identifiable software and have probable economic benefit exceeding one year are recognised as intangible assets. Direct costs include the purchase cost of software and related overhead cost.

Intangible assets are amortised from the point at which the asset is ready for use. Amortisation charge is based on the straight-line method whereby the cost of an intangible asset is written off over its estimated useful life of 3 years.

3.5 INVESTMENTS

The Company determines the appropriate classification of its investment at the time of purchase. Investments of the Company are classified into the following categories:

3.5.1 Available for sale investments

Investments are designated as available for sale financial assets if they do not have fixed maturities and fixed or determinable payments, and management intends to hold them for the period from medium to long-term. These are initially measured at fair value including the transaction costs. Subsequent measurement of investments for which the fair value can be reliably measured is stated at fair value with gains or losses taken to other comprehensive income.

Available for sale investments in unlisted securities for which fair value can not be reliably measured are carried at cost less impairment, if any.

3.5.2 Investments in associates

Associates are all entities over which the Company has significant influence but not control. Investment in associates are accounted for using the equity method.

When the Company's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Company does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in note 3.10 below.

3.6 TRADE AND OTHER RECEIVABLES

Trade and other receivables are recognised at fair value of consideration receivable. Debts considered irrecoverable are written off and provision is made against those considered doubtful of recovery.

3.7 LOANS, DEPOSITS AND OTHER DEBTS

These are initially measured at cost which is the fair value of the consideration given and are subsequently measured at amortised cost.

3.8 INVENTORIES

Inventories are valued at lower of cost, determined on first-in first-out basis, and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Cost of work in process and finished goods comprise direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure.

Stock-in-transit is valued at cost accumulated to the reporting date. Provision is made for slow moving and obsolete items based on management's judgement.

3.9 CASH AND CASH EQUIVALENTS

Cash and cash equivalents are carried in the statement of financial position at cost. For the purposes of statement of cash flows, cash and cash equivalents comprise cash, cheques, demand drafts in hand, running finance under mark up arrangements and balances with banks on current and deposit accounts.

3.10 IMPAIRMENT OF ASSETS

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

An impairment loss is reversed if there is a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the assets' carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.11 Taxation

I) Current

The charge for current tax is based on the taxable income for the year, determined in accordance with the prevailing law for taxation on income, using prevailing tax rates after taking into account tax credits and rebates available, if any.

II) Deferred

Deferred tax is accounted for using the balance sheet liability method on all temporary differences arising between tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax liability is generally recognised for all taxable temporary differences and deferred tax asset is recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilised.

Deferred tax is determined using tax rates and prevailing laws for taxation on income that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

3.12 STAFF RETIREMENT BENEFITS

Salaries, wages and benefits are accrued in the period in which the associated services are rendered by employees of the Company.

The Company operates an approved contributory provident fund scheme for all eligible employees who have completed the minimum qualifying period of service. Equal monthly contributions are made, both by the Company and the employees, to the fund at the rate of 10% of basic salary.

3.13 FINANCIAL ASSETS AND LIABILITIES

All financial assets and financial liabilities are initially measured at cost, which is the fair value of the consideration given and received respectively. These financial assets and liabilities are subsequently measured at fair value, amortised cost or cost, as the case may be.

A financial asset and a financial liability is offset and the net amount is reported in the statement of financial position if the Company has a legally enforceable right to set-off the recognised amount and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

3.14 TRADE AND OTHER PAYABLES

Trade and other payables are initially measured at cost which is the fair value of the consideration received. These are subsequently measured at amortised cost.

3.15 PROVISIONS

Provisions are recognised in the statement of financial position when the Company has a legal or constructive obligation as a result of past events, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. However, provisions are reviewed at each reporting date and adjusted to reflect current best estimate.

3.16 FOREIGN CURRENCIES

Transactions in foreign currencies are recorded in Pakistan Rupee at the rates of exchange approximating those prevailing at the date

of transaction. Monetary assets and liabilities in foreign currencies are translated into Pakistan Rupee using the exchange rates approximating those prevailing at the reporting date. Exchange differences are included in statement of profit or loss.

The financial statements are presented in Pakistan Rupee, which is the Company's functional and presentation currency and figures are rounded off to the nearest thousand of Rupees.

3.17 REVENUE RECOGNITION

Revenue from sale of goods is recognised when significant risks and rewards of ownership are transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably.

Revenue from sale of goods is measured at the fair value of the consideration received or receivable, net of government levies, discounts and incentives.

Dividend income on investments is recognised when the Company's right to receive dividend is established.

3.18 BORROWING COSTS

Borrowing costs are recognised as an expense in the period in which these are incurred except to the extent of borrowing costs that are directly attributable to the acquisition, construction or production of the qualifying asset, if any, are capitalised as part of the cost of that asset.

3.19 DIVIDEND DISTRIBUTION

Dividend distribution to the Company's shareholders is recognised as liability in the financial statements in the period in which the dividend is approved.

3.20 METHOD OF PREPARATION OF STATEMENT OF CASH FLOWS

The statement of cash flows is prepared using the indirect method.

4. PROPERTY, PLANT AND EQUIPMENT

| | 2018 | 2017 |
|------------------------|-------------------------------|---------------|
| | ----- (Rupees in '000') ----- | |
| Operating assets- note | <u>19,537</u> | <u>27,402</u> |

3.17 OPERATING ASSETS

| | Leasehold improvements | Plant and machinery | Office & other equipments | Furniture and fixtures | Owned | Leased | Total |
|---------------------------------|------------------------|---------------------|---------------------------|------------------------|----------------|---------------|---------------|
| | | | | | Motor Vehicles | | |
| Year ended June 30, 2018 | | | | | | | |
| ----- (Rupees in '000') ----- | | | | | | | |
| Opening net book value | 253 | 3,522 | 1,309 | 48 | 5,731 | 16,539 | 27,402 |
| Additions | - | 476 | 586 | 88 | - | 3,501 | 4,651 |
| Disposals (note- 4.2) | | | | | | | |
| Cost | - | - | (810) | (14) | - | (1,813) | (2,637) |
| Accumulated depreciation | - | - | 806 | 14 | - | 151 | 971 |
| Transfers | - | - | (4) | - | - | (1,662) | (1,666) |
| Cost | - | - | - | - | 9,680 | (9,680) | - |
| Accumulated depreciation | - | - | - | - | (8,158) | 8,158 | - |
| | - | - | - | - | 1,522 | (1,522) | - |
| Depreciation charge (note- 4.3) | (76) | (1,109) | (648) | (20) | (3,848) | (5,149) | (10,850) |
| Closing net book value | <u>177</u> | <u>2,889</u> | <u>1,243</u> | <u>116</u> | <u>3,405</u> | <u>11,707</u> | <u>19,537</u> |
| Gross carrying value basis | | | | | | | |
| At June 30, 2018 | | | | | | | |
| Cost | 762 | 11,221 | 6,442 | 914 | 41,386 | 16,259 | 76,984 |
| Accumulated depreciation | (585) | (8,332) | (5,199) | (798) | (37,981) | (4,552) | (57,447) |
| Net book value | <u>177</u> | <u>2,889</u> | <u>1,243</u> | <u>116</u> | <u>3,405</u> | <u>11,707</u> | <u>19,537</u> |
| Net carrying value basis | | | | | | | |
| Year ended June 30, 2017 | | | | | | | |
| Opening net book value | 329 | 3,094 | 1,368 | 72 | 4,280 | 10,767 | 19,910 |
| Additions | - | 1,302 | 667 | 27 | 1,708 | 14,570 | 18,274 |
| Disposals | | | | | | | |
| Cost | - | (32) | (829) | (11) | (2,486) | (2,162) | (5,520) |
| Accumulated depreciation | - | 19 | 754 | 11 | 2,462 | 1,549 | 4,795 |
| Transfers | - | (13) | (75) | - | (24) | (613) | (725) |
| Cost | - | - | - | - | 9,659 | (9,659) | - |
| Accumulated depreciation | - | - | - | - | (5,796) | 5,796 | - |
| | - | - | - | - | 3,863 | (3,863) | - |
| Depreciation charge | (76) | (861) | (651) | (51) | (4,096) | (4,322) | (10,057) |
| Closing net book value | <u>253</u> | <u>3,522</u> | <u>1,309</u> | <u>48</u> | <u>5,731</u> | <u>16,539</u> | <u>27,402</u> |
| Gross carrying value basis | | | | | | | |
| At June 30, 2017 | | | | | | | |
| Cost | 762 | 10,745 | 6,666 | 840 | 31,706 | 24,251 | 74,970 |
| Accumulated depreciation | (509) | (7,223) | (5,357) | (792) | (25,975) | (7,712) | (47,568) |
| Net book value | <u>253</u> | <u>3,522</u> | <u>1,309</u> | <u>48</u> | <u>5,731</u> | <u>16,539</u> | <u>27,402</u> |

4.2 DETAILS OF FIXED ASSETS DISPOSED OF DURING THE YEAR:

The details of operating assets disposed of, having net book value in excess of Rs. 500,000 each are as follows:

| | Cost | Acc. Dep | Book Value | Sale Proceeds | Gain | Mode of Disposal | Particulars of Purchaser |
|--|--------------|------------|--------------|---------------|-----------|------------------|-------------------------------|
| ----- (Rupees in '000') ----- | | | | | | | |
| Motor Vehicles | 1,813 | 151 | 1,662 | 1,700 | 38 | Insurance | New Jubilee Takaful Insurance |
| Aggregate of assets disposed of having book value less than Rs 500,000 each: | | | | | | | |
| Office & other equipments | 810 | 806 | 4 | 8 | 4 | Scrap | Not Applicable |
| Furniture and Fixtures | 14 | 14 | - | - | - | Scrap | Not Applicable |
| | <u>2,637</u> | <u>971</u> | <u>1,666</u> | <u>1,708</u> | <u>42</u> | | |

4.3 DEPRECIATION FOR THE YEAR HAS BEEN ALLOCATED AS FOLLOWS:

Cost of Sales - note 20
Marketing and distribution expenses- note 22
Administrative and general expenses- note 23

| | 2018 | 2017 |
|-------------------------------|---------------|---------------|
| ----- (Rupees in '000') ----- | | |
| | 1,279 | 1,072 |
| | 9,360 | 8,794 |
| | 211 | 191 |
| | <u>10,850</u> | <u>10,057</u> |
| | 74 | 113 |
| | <u>5,841</u> | <u>5,204</u> |
| | <u>5,915</u> | <u>5,317</u> |

5. INTANGIBLE ASSETS

Computer software - note 5.1
Intangible asset under development - note 5.1 & 5.3

5.1 MOVEMENT IN INTANGIBLE ASSETS

| | Computer Software | Intangible Asset under development | Total |
|----------------------------------|-------------------|------------------------------------|--------------|
| ----- (Rupees in '000') ----- | | | |
| Year ended 30 June 2018 | | | |
| Opening net book value | 113 | 5,204 | 5,317 |
| Additions during the year | - | 637 | 637 |
| Amortisation charge for the year | (39) | - | (39) |
| Closing net book value | <u>74</u> | <u>5,841</u> | <u>5,915</u> |
| At 30 June 2018 | | | |
| Cost | 1,491 | 5,841 | 7,332 |
| Accumulated amortisation | (1,417) | - | (1,417) |
| Net book value | <u>74</u> | <u>5,841</u> | <u>5,915</u> |
| Year ended 30 June 2017 | | | |
| Opening net book value | 70 | - | 70 |
| Additions during the year | 105 | 5,204 | 5,309 |
| Amortisation charge for the year | (62) | - | (62) |
| Closing net book value | <u>113</u> | <u>5,204</u> | <u>5,317</u> |

At 30 June 2017

Cost
Accumulated amortisation
Net book value
Useful life in years

| | Computer Software | Intangible Asset under development | Total |
|-------------------------------|-------------------|------------------------------------|--------------|
| ----- (Rupees in '000') ----- | | | |
| | 1,491 | 5,204 | 6,695 |
| | (1,378) | - | (1,378) |
| | <u>113</u> | <u>5,204</u> | <u>5,317</u> |
| | 3 | - | |

5.2 THIS REPRESENTS COST OF LICENSES AND CONSULTATION FEE FOR THE IMPLEMENTATION OF SAP ENTERPRISE RESOURCE PLANNING (ERP) SYSTEM.

5.3 AMORTISATION FOR THE YEAR HAS BEEN ALLOCATED AS FOLLOWS:

Marketing and distribution expenses- note 22
Administrative and general expenses- note 23

| | 2018 | 2017 |
|-------------------------------|-----------|-----------|
| ----- (Rupees in '000') ----- | | |
| | 39 | 18 |
| | - | 44 |
| | <u>39</u> | <u>62</u> |

6. LONG-TERM INVESTMENTS

Investment in associate

- FMC United (Private) Limited (FMC)- note 6.1
1,639,418 (2017: 1,639,418) fully paid ordinary shares of Rs. 10 each
Percentage holding 40% (2017: 40%)
Cost Rs. 16,394,180 (2017: Rs. 16,394,180)

Available for sale investments

- IBL HealthCare Limited - Listed - note 6.2
1,215,135 (2017: 1,107,026) fully paid ordinary shares of Rs. 10 each
Percentage holding 2.25% (2017: 2.25%)
Cost Rs. 7,882,580 (2017: Rs. 7,882,580)
- IntelInternational Brands Limited (Holding Company) - Unlisted - note 6.3
11,079,852 (2017: 11,079,852) fully paid ordinary shares of Rs. 10 each
Percentage holding 4.71% (2017: 4.71%)
Cost Rs. 83,663,056 (2017: Rs. 83,663,056)

| | 2018 | 2017 |
|-------------------------------|------------------|------------------|
| ----- (Rupees in '000') ----- | | |
| | 1,076,459 | 934,822 |
| | 97,490 | 135,057 |
| | 83,663 | 83,663 |
| | <u>181,153</u> | <u>218,720</u> |
| | <u>1,257,612</u> | <u>1,153,542</u> |

6.1 MOVEMENT OF INVESTMENT IN ASSOCIATE

Balance at beginning of the year
Share of profit for the year
Share of other comprehensive loss for the year
Less: Dividend income for the year
Balance at end of the year

| | 2018 | 2017 |
|-------------------------------|------------------|----------------|
| ----- (Rupees in '000') ----- | | |
| | 934,822 | 767,782 |
| | 202,023 | 167,099 |
| | (42,354) | (59) |
| | (18,032) | - |
| | <u>1,076,459</u> | <u>934,822</u> |

6.1.1 FINANCIAL DETAILS / POSITION OF ASSOCIATE

| | 2018 | 2017 |
|---------------------|-------------------------------|-----------|
| | ----- (Rupees in '000') ----- | |
| Total assets | 7,787,660 | 7,004,116 |
| Total liabilities | 5,063,725 | 4,667,056 |
| Revenues | 7,450,797 | 6,406,504 |
| Profit for the year | 505,057 | 417,747 |

The financial year end of FMC United (Private) Limited is December 31. Total assets and liabilities disclosed above are based on unaudited condensed interim financial information for the half year ended June 30, 2018, whereas revenues and total comprehensive income disclosed above is based on audited financial statements for the years ended December 31, 2017 and December 31, 2016 and unaudited financial information for the half years ended June 30, 2018 and June 30, 2017.

6.1.2 FMC United (Private) Limited is principally engaged in the manufacturing, repackaging and marketing of pesticides.

6.1.3 The investment in associate has been made in accordance with section 199 of the Companies Act, 2017 and the conditions defined thereunder.

6.2 Shares held as at June 30, 2018 include 31,343 shares (2017: 25,937 shares) of IBL HealthCare Limited and 184,665 shares (2017: 184,665) of International Brands Limited withheld at the time of bonus declaration. The Company has included these shares in its portfolio pending decision of the Honourable High Court of Sindh on petitions filed by the Company in respect of tax on bonus shares.

6.3 As explained in note 1 the Company is holding shares of International Brands Limited (holding Company) which have been carried at cost.

7. LONG-TERM LOANS

| | 2018 | 2017 |
|---|-------------------------------|-------|
| | ----- (Rupees in '000') ----- | |
| Loan to employees- note 7.1 | 2,076 | 2,200 |
| Less: Recoverable within one year - note 11 | (1,202) | (808) |
| | 874 | 1,392 |

7.1 Name of the employee whose outstanding balance is above Rs. 1 million at the end of June 30, 2018 is as follows:

Name of Employee

Mr. Sohail Hasnain Ahmed

| | 2018 | 2017 |
|--|-------|-------|
| | 1,605 | 1,865 |

7.2 Interest free loans under the schemes have been provided to facilitate expenditures for domestic purposes. The loans are secured against employees' retirement fund balances.

8. LONG-TERM DEPOSITS

| | 2018 | 2017 |
|--------------|-------------------------------|-------|
| | ----- (Rupees in '000') ----- | |
| Rent deposit | 2,275 | 2,275 |
| Others | 1,275 | 275 |
| | 3,550 | 2,550 |

8.1 These deposits do not carry any mark-up arrangement.

9. INVENTORIES

| | 2018 | 2017 |
|---|-------------------------------|---------|
| | ----- (Rupees in '000') ----- | |
| Raw materials - including in transit Rs. Nil (2017: Rs. 1.5 million) - note 9.1 | 27,297 | 9,349 |
| Packing materials - note 9.2 | 5,727 | 5,620 |
| Finished goods - including in transit Rs. 318 million (2017: Rs. 5.3 million) | 122,824 | 133,818 |
| | 155,848 | 148,787 |
| Less: Provision for slow moving and obsolete Inventories- note 9.3 | (3,808) | (4,239) |
| | 152,040 | 144,548 |

9.1 These include raw materials amounting to Rs. 10.28 million (2017: Rs. 5.62 million) held by third party.

9.2 These include packing materials amounting to Rs. 1.37 million (2017: Rs. 1.12 million) held by third party.

9.3 MOVEMENT FOR PROVISION FOR SLOW MOVING AND OBSOLETE INVENTORIES

| | 2018 | 2017 |
|-------------------------------------|-------|-------|
| Opening | 4,239 | 3,190 |
| (Reversal) / Charge during the year | (431) | 1,049 |
| Balance at end of the year | 3,808 | 4,239 |

10. TRADE AND OTHER RECEIVABLES

| | 2018 | 2017 |
|------------------------------|-------------------------------|--------|
| | ----- (Rupees in '000') ----- | |
| Trade Receivables- note 10.1 | 76,724 | 74,502 |
| Other Receivables- note 10.2 | 1,931 | 906 |
| | 78,655 | 75,408 |

10.1 TRADE RECEIVABLES

| | 2018 | 2017 |
|-----------|--------|--------|
| Secured | 4,913 | 3,610 |
| Unsecured | 71,811 | 70,892 |
| | 76,724 | 74,502 |

10.1.1 The age analysis of trade receivables is as follows:

| | 2018 | 2017 |
|--------------------|--------|--------|
| 1 to 3 months | 60,233 | 61,951 |
| 3 to 6 months | 8,081 | 9,741 |
| More than 6 months | 8,410 | 2,810 |
| | 76,724 | 74,502 |

10.2 OTHER RECEIVABLES

| | 2018 | 2017 |
|---|-------|------|
| Receivable from related parties - note 10.3 | 1,156 | 560 |
| Sales tax receivable | 531 | - |
| Others | 244 | 346 |
| | 1,931 | 906 |

10.21 The age analysis of other receivables is as follows:

1 to 3 months
3 to 6 months

| | 2018 | 2017 |
|--|-------------------------------|------------|
| | ----- (Rupees in '000') ----- | |
| | 1,687 | 560 |
| | 244 | 346 |
| | 1,931 | 906 |

10.3 Other receivables include receivables from the following related parties: - note 10.4

International Brands Limited
The Searle Company Limited
Balance at end of the year

| | 2018 | 2017 |
|--|-------------------------------|------------|
| | ----- (Rupees in '000') ----- | |
| | 997 | 265 |
| | 159 | 295 |
| | 1,156 | 560 |

10.4 The maximum aggregate amount due from the related parties at the end of any month during the year was Rs. 740 million (2017: Rs. 12.19 million).

11. LOANS, ADVANCES AND PREPAYMENTS

Advance to suppliers - note 11.1
Advances to employees against expenses- note 11.1 & 11.2
Current portion of long term loan - note 7
Prepayments

| | 2018 | 2017 |
|--|-------------------------------|--------------|
| | ----- (Rupees in '000') ----- | |
| | 2,259 | 2,231 |
| | 888 | 823 |
| | 1,202 | 808 |
| | 148 | 228 |
| | 4,497 | 4,090 |

11.1 These loans and advances do not carry mark-up.

11.2 These advances are secured against employees' retirement fund balances.

12. CASH AND BANK BALANCES

Cash at bank - current accounts - note 12.1
Cash in hand
Cheques in hand

| | 2018 | 2017 |
|--|-------------------------------|--------------|
| | ----- (Rupees in '000') ----- | |
| | 11,860 | 5,201 |
| | 70 | 97 |
| | 1,146 | 731 |
| | 13,076 | 6,029 |

12.1 These include current account having balance of Rs. 0.166 million (2017: Rs. 0.27 million) maintained with an Islamic Bank.

13. SHARE CAPITAL

13.1 Authorised Share Capital

50,000,000 ordinary shares of Rs. 10 each (2017: 50,000,000 ordinary shares of Rs. 10 each)

| | 2018 | 2017 |
|--|-------------------------------|----------------|
| | ----- (Rupees in '000') ----- | |
| | 500,000 | 500,000 |

13.2 ISSUED, SUBSCRIBED AND PAID UP CAPITAL

| Ordinary shares of Rs 10 each | | | 2018 | 2017 | |
|-------------------------------|---|---------------|-------------------------------|----------------|--|
| | 2018 | 2017 | ----- (Rupees in '000') ----- | | |
| | ----- (Number of shares in '000') ----- | | | | |
| | 5,000 | 5,000 | 50,000 | 50,000 | |
| | 12,486 | 10,062 | 124,862 | 100,616 | |
| | 9,184 | 9,184 | 91,840 | 91,840 | |
| | 26,670 | 24,246 | 266,702 | 242,456 | |

Ordinary shares of Rs. 10 each Shares issued for consideration paid in cash.
Shares issued as bonus shares
Shares issued as right shares

13.3 MOVEMENT IN ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

| Ordinary shares of Rs 10 each | | | 2018 | 2017 | |
|-------------------------------|---|---------------|-------------------------------|----------------|--|
| | 2018 | 2017 | ----- (Rupees in '000') ----- | | |
| | ----- (Number of shares in '000') ----- | | | | |
| | 24,246 | 20,205 | 242,456 | 202,047 | |
| | 2,424 | 4,041 | 24,246 | 40,409 | |
| | 26,670 | 24,246 | 266,702 | 242,456 | |

Opening shares outstanding
Bonus shares issued

13.4 As at June 30, 2018 International Brands Limited, the holding company held 18,791,153 (2017: 17,160,872) shares of Rs. 10 each.

14. REVALUATION OF AVAILABLE FOR SALE INVESTMENT

Balance as at July 1, 2017
Deficit arising on revaluation of investment
Balance as at June 30, 2018

| | 2018 | 2017 |
|--|-------------------------------|----------------|
| | ----- (Rupees in '000') ----- | |
| | 127,175 | 145,393 |
| | (37,567) | (18,218) |
| | 89,608 | 127,175 |

15. LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE

Not later than one year
Later than one year but not later than five years

| | 2018 | | | 2017 | | |
|--|-------------------------------|--------------------------------------|-----------------------|------------------------|--------------------------------------|-----------------------|
| | Minimum lease payments | Financial charges for future periods | Principal outstanding | Minimum lease payments | Financial charges for future periods | Principal outstanding |
| | ----- (Rupees in '000') ----- | | | | | |
| | 4,371 | 663 | 3,708 | 5,641 | 911 | 4,730 |
| | 6,584 | 441 | 6,143 | 9,629 | 952 | 8,677 |
| | 10,955 | 1,104 | 9,851 | 15,270 | 1,863 | 13,407 |

15.1 This represents Rs. 9.85 million (2017: Rs. 13.4 million) outstanding in respect of diminishing musharikhah financing.

16. DEFERRED TAXATION

| | 2018 | 2017 |
|--|----------------|---------------|
| ----- (Rupees in '000') ----- | | |
| Credit balances arising in respect of | | |
| – Long term investments | 151,150 | 113,547 |
| – Assets held under finance lease | 1,292 | 1,756 |
| Debit balances arising in respect of | | |
| – Obligations under finance lease | (1,087) | (1,423) |
| – Carried forward tax losses | (17,013) | (21,961) |
| – Minimum tax | (2,489) | (358) |
| – Property, plant and equipment | (1,978) | (1,915) |
| – Provision for slow moving and obsolete inventory | (487) | (450) |
| | 129,388 | 89,196 |

16.1 ANALYSIS OF CHANGE IN DEFERRED TAX

| | Accelerated tax depreciation | Finance Lease Obligation | Investment in Associated Company | Retirement Benefit Obligation in Associated Company | Unused tax losses and minimum tax | Provision for Slow Moving, Obsolete and Damaged Stock and Other Provisions | Total |
|--|------------------------------|--------------------------|----------------------------------|---|-----------------------------------|--|----------------|
| ----- (Rupees in '000') ----- | | | | | | | |
| Balance as at July 01, 2016 | (2,604) | (1,145) | 95,171 | (1,248) | (20,453) | 1,529 | 71,250 |
| (Charge) / credit to profit or loss for the year | 2,445 | (278) | 19,631 | | (1,866) | (1,979) | 17,953 |
| (Charge) / credit to other comprehensive income for the year | - | - | - | (7) | - | - | (7) |
| Balance as at June 30, 2017 | (159) | (1,423) | 114,802 | (1,255) | (22,319) | (450) | 89,196 |
| (Charge) / credit to profit or loss for the year | (527) | 336 | 44,207 | | 2,817 | (37) | 46,796 |
| (Charge) / credit to other comprehensive income for the year | - | - | - | (6,604) | - | - | (6,604) |
| Balance as at June 30, 2018 | (686) | (1,087) | 159,009 | (7,859) | (19,502) | (487) | 129,388 |

16.2 The total deferred tax asset for unused tax losses as at June 30, 2018 amounts to Rs. 17.01 million (2017: Rs. 21.96 million). Unused tax losses in respect of Business losses will expire on June 30, 2022. Furthermore, company also has unused tax losses pertaining to initial allowance, depreciation and amortisation.

16.3 The deferred asset for minimum tax carried forward amounts to Rs. 2.5 million (2017: 0.36 million), which will expire on June 30, 2023.

16.3 Under the Finance Act, 2018, a change in corporate tax rate from 30% to 29% was enacted for tax year 2019. The said tax rate will gradually decrease by 1% over a period of 4 years. Therefore, deferred tax assets and liabilities have been recognised accordingly using the expected applicable rate.

17. TRADE AND OTHER PAYABLES

| | 2018 | 2017 |
|--|----------------|----------------|
| ----- (Rupees in '000') ----- | | |
| Creditors - note 17.1 | 127,165 | 135,254 |
| Accrued liabilities | 15,940 | 13,193 |
| Sales tax payable | - | 2,848 |
| Advances from customers | 16,856 | 17,477 |
| Taxes deducted at source | 1,373 | 2,056 |
| Payable to provident fund- note 17.2 | 637 | 373 |
| Workers' Welfare Fund | 1,789 | 1,563 |
| | 163,760 | 172,764 |
| 17.1 Creditors include payable to the following related parties: | | |
| IBL Unisys (Private) Limited | 1,752 | 1,115 |
| Mycart (Private) Limited | - | 17 |
| | 1,752 | 1,132 |

17.2 SECP has issued "Employees' Provident Fund (Investment in Listed Securities) Rules, 2018" through SRO 730 (1) / 2018, dated June 06, 2018 in relation to investment made out of provident fund. Section 1 (5) if the said rules states that "Within one year from the date of commencement of notification of these regulations, all investments from the provident fund or any other contributory retirement fund constituted by a company or where a trust created by a company with respect to provident fund or any other contributory retirement fund, as the case may be, which are beyond the investment limits provided in these regulations shall be reduced gradually and brought in conformity with the provisions of these regulations."

18. COMMITMENTS

The facilities for opening letters of credit and guarantees as at June 30, 2018 amounted to Rs. 150 million (2017: Rs. 150 million) of which unutilised balance at year end amounted to Rs. 67.02 million (2017: Rs. 63.38 million).

19. REVENUE

| | 2018 | 2017 |
|-------------------------------|----------------|----------------|
| ----- (Rupees in '000') ----- | | |
| Gross Revenue | 596,478 | 582,891 |
| Less: Discounts and returns | (120,452) | (163,792) |
| Sales tax | (24,977) | (19,412) |
| | 451,049 | 399,687 |

20. COST OF SALES

| | 2018 | 2017 |
|---|-------------------------------|-----------|
| | ----- (Rupees in '000') ----- | |
| Cost of inventories consumed | 103,714 | 82,087 |
| Manufacturing charges to third party | 4,657 | 4,591 |
| Salaries, wages and benefits | 3,276 | 2,785 |
| Charge for defined contribution plan | 71 | 64 |
| Rent, rates and taxes | 3,522 | 4,249 |
| Depreciation | 1,279 | 1,072 |
| Utilities and communication | 387 | 394 |
| Printing and stationery | 10 | 16 |
| Freight expense | 4,253 | 3,678 |
| Repairs and maintenance | 297 | 141 |
| Entertainment expenses | 129 | 75 |
| Security expense | 231 | 222 |
| Travelling and conveyance | 96 | 98 |
| Insurance expense | 180 | 49 |
| Sampling | 520 | - |
| Others | 29 | 444 |
| (Reversal) / Charge of provision for slow moving and obsolete Inventories | (431) | 1,049 |
| | 122,220 | 101,014 |
| Add: Opening inventory of work-in-process | - | 1,063 |
| Cost of goods manufactured | 122,220 | 102,077 |
| Add: Opening inventory of finished goods | 133,818 | 138,656 |
| Add: Purchases | 131,018 | 138,023 |
| Less: Closing inventory of finished goods | (122,824) | (133,818) |
| | 142,012 | 142,861 |
| | 264,232 | 244,938 |

21. OTHER INCOME

| | 2018 | 2017 |
|---|-------------------------------|-------|
| | ----- (Rupees in '000') ----- | |
| Income from financial assets | | |
| Gain on disposal of short term investments | 56 | 527 |
| Exchange gain | - | 1,543 |
| Dividend income on investments- note 21.1 | 7,618 | 946 |
| | 7,674 | 3,016 |
| Income from non-financial assets | | |
| Gain on disposal of property, plant and equipment | 42 | 1,781 |
| Liabilities no longer required written back | - | 1,808 |
| | 42 | 3,589 |
| Others | | |
| Scrap sales | 262 | 266 |
| Rental income | 921 | 1,256 |
| Others | 584 | 496 |
| | 1,767 | 2,018 |
| | 9,483 | 8,623 |

21.1 This represents dividend income from International Brands Limited and IBL HealthCare Limited amounting to Rs. 6.54 million (2017: Rs. Nil) and Rs.1.08 million (2017: Rs. 0.95 million).

22. MARKETING AND DISTRIBUTION EXPENSES

| | 2018 | 2017 |
|--|-------------------------------|---------|
| | ----- (Rupees in '000') ----- | |
| Salaries, wages and benefits | 62,139 | 53,662 |
| Contributions to defined contribution plan | 1,628 | 1,572 |
| Rent, rates and taxes | 4,575 | 3,901 |
| Depreciation and amortisation | 9,399 | 8,812 |
| Safety and security | 1,074 | 998 |
| Sales promotion and advertisement | 9,145 | 8,832 |
| Distribution freight | 7,061 | 8,245 |
| Vehicle running | 19,585 | 15,943 |
| Utilities and communication | 1,496 | 1,867 |
| Travelling and transportation | 3,115 | 3,375 |
| Entertainment expenses | 774 | 663 |
| Repairs and maintenance | 396 | 331 |
| Printing and stationery | 318 | 292 |
| Fee, subscription and periodicals | 65 | 117 |
| Commission and incentives | 14,097 | 9,739 |
| Research and development | 1,843 | 2,496 |
| Insurance expense | 1,242 | 388 |
| Legal and professional charges | 683 | - |
| Others | - | 71 |
| | 138,635 | 121,304 |

23. ADMINISTRATIVE AND GENERAL EXPENSES

| | 2018 | 2017 |
|--|-------------------------------|--------|
| | ----- (Rupees in '000') ----- | |
| Salaries, wages and benefits | 9,513 | 8,252 |
| Contributions to defined contribution plan | 485 | 477 |
| Rent, rates and taxes | - | 160 |
| Depreciation and amortisation | 211 | 235 |
| Legal and professional charges | 1,493 | 1,968 |
| Travelling and conveyance | 1,251 | 674 |
| Utilities and communication | 387 | 427 |
| Vehicle running | 1,439 | 1,180 |
| Printing and stationery | 516 | 488 |
| Auditors' remuneration- note 23.1 | 1,899 | 2,970 |
| Entertainment expenses | 77 | 122 |
| Repairs and maintenance | 120 | 158 |
| Fee, subscription and periodicals | 1,589 | 2,483 |
| Training and development | 275 | 90 |
| Corporate expenses | 4,200 | 2,400 |
| Donation- note -23.2 | 3,000 | - |
| | 26,455 | 22,084 |

23.1 AUDITORS' REMUNERATION

| | 2018 | 2017 |
|---|-------------------------------|--------------|
| | ----- (Rupees in '000') ----- | |
| Audit fee | 600 | 600 |
| Fee for review of half yearly financial statements, special certifications and others | 646 | 500 |
| Taxation services | 558 | 1,787 |
| Out of pocket expenses | 95 | 83 |
| | <u>1,899</u> | <u>2,970</u> |

23.2 DONATION

This includes Rs. 1.75 million given to The Hunar Foundation to facilitate the technical training of illiterate, semi-literate and literate citizens. During the year, two directors of the Holding Company were also directors in donee foundation. Further, Donations of Rs. 1.25 million were given to various needy individuals. None of the directors or their spouses had any interest in the donees.

24. OTHER OPERATING EXPENSES

| | 2018 | 2017 |
|-----------------------------|-------------------------------|------------|
| | ----- (Rupees in '000') ----- | |
| Sindh Workers' Welfare Fund | 226 | 175 |
| Exchange loss - Net | 7,549 | - |
| | <u>7,775</u> | <u>175</u> |

25. FINANCE COST

| | 2018 | 2017 |
|-----------------------------------|-------------------------------|--------------|
| | ----- (Rupees in '000') ----- | |
| Finance lease charges | 216 | 39 |
| Diminishing musharikhah financing | 947 | 870 |
| Bank charges and commission | 323 | 473 |
| | <u>1,486</u> | <u>1,382</u> |

26. INCOME TAX

| | 2018 | 2017 |
|------------------|-------------------------------|---------------|
| | ----- (Rupees in '000') ----- | |
| Current | | |
| - for the year | 10,737 | 8,791 |
| - for prior year | - | 2,532 |
| | <u>10,737</u> | <u>11,323</u> |
| Deferred | 46,796 | 17,954 |
| | <u>57,533</u> | <u>29,277</u> |

26.1 Current Income tax expense is calculated on the assessable profits for the year at the enacted corporate tax rate of 30% (2017: 31%).

26.2 Relationship between tax expense and accounting profit has not been presented as tax has been computed under section 113 of Income Tax Ordinance, 2001 i.e., under Minimum tax and Final Tax Regime.

26.3 The Company computes tax liability based on the generally accepted interpretations of the tax laws to ensure that sufficient provision for the purpose of taxation is available which can be analysed as follows:

| | Provision for taxation | Tax* assessed | Short |
|------|-------------------------------|---------------|-------|
| | ----- (Rupees in '000') ----- | | |
| 2017 | 8,791 | 8,791 | - |
| 2016 | 11,369 | 11,369 | - |
| 2015 | 5,540 | 5,736 | (196) |

* Self-assessment under section 120 of Income Tax Ordinance, 2001

27. EARNINGS PER SHARE

| | 2018 | 2017 |
|--|-------------------------------|----------------|
| | ----- (Rupees in '000') ----- | |
| Profit for the year attributable to ordinary shareholders | <u>166,439</u> | <u>156,249</u> |
| Weighted average number of shares in issue during the year (in thousand) | <u>26,670</u> | <u>26,670</u> |
| Earnings per share | <u>Rs 6.24</u> | <u>Rs 5.86</u> |

27.1 A diluted earnings per share has not been presented as the Company does not have any convertible instruments in issue as at June 30, 2018 and 2017 which would have any effect on the earnings per share if the option to convert is exercised.

28. CASH GENERATED FROM / (USED IN) OPERATIONS

| | 2018 | 2017 |
|--|-------------------------------|-----------------|
| | ----- (Rupees in '000') ----- | |
| Profit before taxation | 223,972 | 185,526 |
| Adjustments for non-cash incomes and expenses: | | |
| Depreciation and amortisation | 10,889 | 10,119 |
| Finance cost | 1,486 | 1,382 |
| Exchange Loss - Net | 7,549 | - |
| Gain on disposal of property, plant and equipment | (42) | (1,781) |
| Dividend income | (7,618) | (946) |
| Share of profit from associate | (202,023) | (167,099) |
| Provision for slow moving and obsolete Inventories | (431) | 1,049 |
| Gain on disposal of short term investments | (56) | (527) |
| | <u>33,726</u> | <u>27,723</u> |
| Changes in Working Capital: | | |
| Decrease / (increase) in current assets | | |
| Inventories | (7,061) | 1,389 |
| Trade and other receivables | (3,247) | (27,588) |
| Loans, advances and prepayments | (407) | (3,155) |
| Refunds due from the Government | - | 2,906 |
| | <u>(26,448)</u> | <u>2,181</u> |
| (Decrease) / increase in current liabilities | | |
| Trade and other payables | (10,715) | (2,810) |
| Unclaimed dividend | 138 | - |
| | <u>(22,840)</u> | <u>(29,258)</u> |
| | <u>10,886</u> | <u>(1,535)</u> |

29. CASH AND CASH EQUIVALENTS

| | 2018 | 2017 |
|---------------------------------|-------------------------------|--------------|
| | ----- (Rupees in '000') ----- | |
| Cash in hand | 70 | 97 |
| Cash at bank - Current accounts | 11,860 | 5,201 |
| Cheques in hand | 1,146 | 731 |
| | 13,076 | 6,029 |

30. RELATED PARTY TRANSACTIONS

30.1 Following are the related parties with whom the Company had entered into transactions or has arrangements / agreements in place.

| S.No. | Company | Basis of Association | Aggregate % of Shareholding |
|-------|----------------------------------|----------------------|-----------------------------|
| 1. | International Brands Limited | Holding Company | 70.46% |
| 2. | IBL Operations (Private) Limited | Group Company | N/A |
| 3. | The Searle Company Limited | Group Company | N/A |
| 4. | IBL Unisys (Private) Limited | Group Company | N/A |
| 5. | IBL HealthCare Limited | Group Company | N/A |
| 6. | FMC United (Private) Limited | Associate | 40% |

30.2 The following transactions were carried out with related parties during the year:

| | Nature of relationship | Nature of transactions | 2018 | 2017 |
|------|---------------------------|--------------------------------------|-------------------------------|--------|
| | | | ----- (Rupees in '000') ----- | |
| i. | Holding Company | Payment on behalf of Holding Company | 14,379 | - |
| | | Corporate service charges | 4,200 | 2,400 |
| | | Dividend income | 6,537 | - |
| | | Receipts from Holding Company | 9,403 | 1,133 |
| | | Dividend received | 5,600 | 7,387 |
| ii. | Associated Companies | Receipts from associated companies | 4,810 | 3,767 |
| | | Sale of fixed assets | - | 484 |
| | | Warehouse rent | 920 | 1,257 |
| | | Other income | - | 298 |
| | | Dividend Income | 1,081 | 946 |
| | | Dividend Received | | |
| | | SAP maintenance fee and license | 637 | 1,115 |
| | | Dividend received | 18,034 | 13,115 |
| iii. | Employees' Provident Fund | Contribution paid | 6,217 | 3,853 |
| iv. | Key Management Personnel | Salaries and other employee benefits | 18,824 | 13,571 |
| | | Loan disbursed | 480 | 2,000 |
| | | Loan received | 200 | 135 |
| | | Directors' fee | 16 | 21 |

30.3 The status of outstanding balances with related parties as at June 30, 2018 is included in the respective notes to the financial statements. These are settled in the ordinary course of business.

31. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amounts charged in the financial statements for remuneration, including all benefits, to the Chief Executive, Directors and Executives of the Company are as follows:

| | Chief Executive | | Director* | | Executives* | |
|--|-------------------------------|----------|-----------|----------|---------------|---------------|
| | 2018 | 2017 | 2018 | 2017 | 2018 | 2017 |
| | ----- (Rupees in '000') ----- | | | | | |
| Managerial remuneration | - | - | - | - | 6,855 | 4,702 |
| Bonus | - | - | - | - | 512 | 795 |
| Company's contribution to provident fund | - | - | - | - | 686 | 470 |
| House rent allowance | - | - | - | - | 3,110 | 1,881 |
| Utilities allowance | - | - | - | - | 564 | 470 |
| Car rental | - | - | - | - | 711 | 648 |
| Leave encashment | - | - | - | - | 672 | 189 |
| EOBI | - | - | - | - | 23 | 16 |
| Commission and Incentives | - | - | - | - | 5,691 | 4,400 |
| | | | | | 18,824 | 13,571 |
| Number of Persons | 1 | 1 | 6 | 6 | 3 | 2 |

* Comparative figures have been restated to reflect changes in the definition of executive as per the Companies Act, 2017.

There was no remuneration paid to the Chief Executive and Directors since the same has been paid to them by related parties of the Company in the capacity of them being the Chief Executive and Directors of the related parties.

Fee paid to five directors for attending Board of Directors meetings during the year amounted to Rs. 16,000 (2017: Rs. 20,500).

32. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

i) Financial assets and liabilities by category and their respective maturities

| | Interest / Mark-up bearing | | | Non interest bearing | | | Total |
|---|-------------------------------|-------------------------|-----------|-------------------------|-------------------------|------------------|------------------|
| | Maturity up to one year | Maturity after one year | Sub-total | Maturity up to one year | Maturity after one year | Sub-total | |
| | ----- (Rupees in '000') ----- | | | | | | |
| FINANCIAL ASSETS | | | | | | | |
| Loans and receivables | | | | | | | |
| Trade and Other Receivables | - | - | - | 78,655 | - | 78,655 | 78,655 |
| Loans, advances, prepayments and deposits | - | - | - | 4,497 | 4,424 | 8,921 | 8,921 |
| Tax refunds due from Govt. | - | - | - | - | - | - | - |
| Cash and bank balances | - | - | - | 13,076 | - | 13,076 | 13,076 |
| Long-term investments | - | - | - | - | 1,257,612 | 1,257,612 | 1,257,612 |
| | 2018 | 2017 | | 96,228 | 1,262,036 | 1,358,264 | 1,358,264 |
| | | | | 85,299 | 1,157,484 | 1,242,783 | 1,242,783 |
| FINANCIAL LIABILITIES | | | | | | | |
| Trade and other payables | - | - | - | 143,105 | - | 143,105 | 143,105 |
| Unclaimed Dividend | - | - | - | 733 | - | 733 | 733 |
| | 2018 | 2017 | | 143,838 | - | 143,838 | 143,838 |
| | | | | 148,447 | - | 148,447 | 148,447 |
| Off balance sheet items | | | | | | | |
| Letters of credit and guarantee | | | | | | | |
| | 2018 | | | | | | 86,159 |
| | 2017 | | | | | | 86,620 |

ii CONCENTRATIONS OF CREDIT RISK

Credit risk represents the accounting loss that would be recognised at the reporting date if counterparties failed to perform as contracted. Out of the total financial assets of Rs. 1,358 million (2017: Rs. 1,242.8 million) the financial assets exposed to the credit risk amount to Rs. 1,358 million (2017: Rs. 1,242.8 million) which mainly comprise of long-term investments.

The Company attempts to control credit risk associated with the carrying amount of its receivables by monitoring credit sales limits and securing credits through bank and personal guarantees.

The cash and bank balances represent low credit risk as major balances are placed with banks having credit ratings of A or above as assigned by credit rating agencies.

Loans to employees are not exposed to any material credit risk as these are secured against the employees retirement benefits.

The management does not expect any losses from non-performance by these counterparts.

iii LIQUIDITY RISK

Liquidity risk reflects the Company's inability in raising funds to meet commitments. The Company manages liquidity risk by maintaining sufficient cash and bank balances and the availability of financing through banking arrangements. As at June 30, 2018 there is no maturity mismatch between financial assets and liabilities that expose the Company to liquidity problems as described in maturity table.

iv MARKET RISK

a) Foreign exchange risk

Foreign currency risk arises mainly where payables and receivables exist due to transactions in foreign currencies. The Company's exposure to exchange risk comprises mainly due to accounts payable in foreign currency. At June 30, 2018, trade and other payables of Rs. 86.20 million (2017: Rs. 86.62 million) are exposed to foreign currency risk.

As at June 30, 2018, if the Pakistan Rupee had weakened / strengthened by 4% against US Dollar with all other variables held constant, profit before tax for the year would have been lower / higher by Rs. 3.85 million (2017: Rs. 1.90 million), mainly as a result of foreign exchange gains / losses on translation of US Dollar denominated trade and other payables, and trade and other receivables.

The sensitivity of foreign exchange rates looks at the outstanding foreign exchange balances of the Company only as at the reporting date and assumes this is the position for a full twelve-month period. The volatility percentages for movement in foreign exchange rates have been used due to the fact that historically (six years) rates have moved on average basis by the mentioned percentages per annum.

b) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in the market interest rates. As at June 30, 2018, the Company is not materially exposed to interest rate risk.

c) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or by factors affecting all similar financial instruments traded in the market.

The Company's exposure to equity securities price risk arises from investment held by the Company in IBL Healthcare Limited and classified in the statement of financial position as available-for-sale. The maximum exposure to price risk as at June 30, 2018 amounts to Rs. 9749 million (2017: Rs. 135.06 million).

As at June 30, 2018, if the market prices of the equity securities had increased / decreased by 1% with all other variables held constant, other comprehensive income for the year would have been higher / lower by Rs. 0.97 million (2017: Rs. 1.35 million).

v FAIR VALUES OF THE FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

As at June 30, 2018, all financial assets and financial liabilities are carried at amortised cost except for investment in IBL HealthCare Limited which is being carried at fair value.

The Company classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs (other than quoted prices included within level 1) that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the transfer has occurred.

The Company's policy for determining when transfers between levels in the hierarchy have occurred includes monitoring of the following factors:

- Changes in market and trading activity (eg. significant increases / decreases in activity)
- Changes in inputs used in valuation techniques (eg. inputs becoming / ceasing to be observable in the market)

There were no transfers between level 1, 2 or 3 of the fair value hierarchy during the year.

The valuation technique used is as follows:

Level 1: Quoted prices (unadjusted) in active markets

The fair value of financial instruments traded in active markets is based on the market value of the shares at the reporting date. A market is regarded as active when it is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

The following table analysis within the fair value hierarchy of the Company's financial assets (by class) measured at fair value at June 30, 2018:

| | 2018 | | | |
|----------------------------------|---------|---------|---------|---------|
| | Level 1 | Level 2 | Level 3 | Total |
| (Rupees in '000') | | | | |
| FINANCIAL ASSETS | | | | |
| Investments - available for sale | 97,490 | - | - | 97,490 |
| 2017 | | | | |
| | Level 1 | Level 2 | Level 3 | Total |
| (Rupees in '000') | | | | |
| FINANCIAL ASSETS | | | | |
| Investments - available for sale | 135,057 | - | - | 135,057 |

33. CAPITAL RISK MANAGEMENT

The Company's objectives when managing capital are to safeguard Company's ability to continue as a going concern in order to provide returns for shareholders and benefit for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

34. PLANT CAPACITY AND PRODUCTION

| | Annual Capacity | | Annual Production | |
|-------------------|-----------------|-----------|-------------------|---------|
| | 2018 | 2017 | 2018 | 2017 |
| | (Kilograms) | | | |
| Packaging | | | | |
| Powder Products | 197,127 | 197,127 | 56,683 | 42,346 |
| Granular Products | 1,351,728 | 1,351,728 | 596,709 | 335,576 |
| | (Litres) | | | |
| Liquid Products | 1,633,338 | 1,633,338 | 70,384 | 35,035 |

Production during the year was as per market demand.

35. NUMBER OF EMPLOYEES

| | 2018 | 2017 |
|--|------|------|
| Number of employees including contractual employees at the end of year | 80 | 86 |
| * This includes 3 (2017: 3) factory employees | | |
| Average number of employees during the year | 82 | 84 |
| * This includes 3 (2017: 3) factory employees | | |

36. EVENTS AFTER THE REPORTING PERIOD

The Board of Directors in their meeting held on 27 September 2018 have proposed a cash dividend of Rs. 0.25 per share (2017: Nil) amounting to Rs. 6.6 million (2017: Nil) and a bonus issue at 15% (2017: 10%) amounting to Rs. 40 million (2017: Rs. 24.25 million) subject to approval of the Company in the forthcoming annual general meeting.

Through Finance Act 2018, the rate of tax on undistributed profits under section 5A of the Income Tax Ordinance, 2001 has been reduced from 7.5% to 5% of accounting profit before income tax on every public company. Moreover, the minimum limit for distribution for applicability of this levy has also been reduced from 40% to 20%, excluding distribution through bonus shares. Liability in respect of such income tax, if any, is recognised when the Company does not distribute dividend within six months of the end of the said tax year. No provision has been made in this respect as at June 30, 2018.

37. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on 27 September 2018 by the Board of Directors.



ASAD ABDULLA
Chief Executive Officer



SYED NADEEM AHMED
Director



SOHAIL HASNAIN AHMED
Chief Financial Officer



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- Risk profiler*
- Financial calculator
- Subscription to Alerts (event notifications, corporate and regulatory actions)
- Jamapunji application for mobile device
- Online Quizzes

Pattern of Shareholding

as at June 30, 2018

| Categories of Shareholders | Shareholders | Shares Held | % age |
|--|--------------|-------------------|---------------|
| DIRECTORS AND THEIR SPOUSE(S) AND MINOR CHILDREN | | | |
| Syed Nadeem Ahmed | 1 | 1,426 | 0.01 |
| Rashid Abdulla | 1 | 1,802 | 0.01 |
| Shakila Rashid | 1 | 513,884 | 1.93 |
| Asad Abdulla | 1 | 23,061 | 0.09 |
| Ayaz Abdulla | 1 | 1,802 | 0.01 |
| Rashid Abdulla | 1 | 343 | 0.00 |
| Zubair Razzak Palwala | 1 | 1,802 | 0.01 |
| Shakila Rashid | 1 | 1,297 | 0.00 |
| Tahir Saeed | 1 | 726 | 0.00 |
| ASSOCIATED COMPANIES, UNDERTAKINGS AND RELATED PARTIES | | | |
| International Brands Limited | 2 | 18,791,153 | 70.46 |
| EXECUTIVES | | | |
| | 2 | 13,502 | 0.05 |
| PUBLIC SECTOR COMPANIES AND CORPORATIONS | | | |
| | 4 | 1,016 | 0.00 |
| BANKS, DEVELOPMENT FINANCE INSTITUTIONS, NON-BANKING FINANCE COMPANIES, INSURANCE COMPANIES, TAKAFUL, MODARABAS AND PENSION FUNDS | | | |
| | 9 | 1,486,955 | 5.58 |
| MUTUAL FUNDS | | | |
| Cdc - Trustee National Investment (Unit) Trust | 1 | 1,279,306 | 4.80 |
| GENERAL PUBLIC | | | |
| a. Local | 1502 | 4,329,222 | 16.23 |
| b. Foreign | - | - | - |
| FOREIGN COMPANIES | | | |
| | 1 | 395 | 0.00 |
| OTHERS | | | |
| | 15 | 222,353 | 0.83 |
| Totals | 1545 | 26,670,045 | 100.00 |

| Share holders holding 5% or more | Shares Held | Percentage |
|----------------------------------|-------------|------------|
| International Brands Limited | 18,791,153 | 70.46 |
| First Udl Modaraba | 1,343,194 | 5.04 |

DIRECTORS AND THEIR SPOUSE(S) AND MINOR CHILDREN

| S.No. | Folio No. | Name of Shareholder | Number of Shares | % age |
|-------|-------------|-----------------------|------------------|----------------|
| 2 | 02113-3397 | Syed Nadeem Ahmed | 1,426 | 0.01 |
| 3 | 03277-11384 | Rashid Abdulla | 2,145 | 0.01 |
| 4 | 03277-12714 | Shakila Rashid | 515,181 | 1.93 |
| 5 | 03277-20909 | Asad Abdulla | 23,061 | 0.09 |
| 6 | 03277-21385 | Ayaz Abdulla | 1,802 | 0.01 |
| 865 | 03277-93293 | Zubair Razzak Palwala | 1,802 | 0.01 |
| 7 | 07179-5250 | Tahir Saeed | 726 | 0.00 |
| | | | 7 | 546,143 |
| | | | | 2.05 |

ASSOCIATED COMPANIES, UNDERTAKINGS AND RELATED PARTIES

| | | | | |
|-----|------------|------------------------------|------------|-------------------|
| 01. | 03277-2937 | International Brands Limited | 18,504,457 | 69.38 |
| 02. | 2347 | International Brands Limited | 286,696 | 1.07 |
| | | | 2 | 18,791,153 |
| | | | | 70.46 |

EXECUTIVE

| | | | | |
|-----|-------------|--------------------|----------|---------------|
| 01. | 03277-25981 | Adnan Ahmed Feroze | 5,507 | 0.02 |
| 02. | 1740 | Adnan Ahmed Feroze | 7,995 | 0.03 |
| | | | 2 | 13,502 |
| | | | | 0.05 |

PUBLIC SECTOR COMPANIES AND CORPORATIONS

| | | | | |
|-----|----------|--|----------|--------------|
| 01. | 33 | National Bank of Pakistan Trustee Wing | 284 | 0.00 |
| 02. | 1799 | Industrial Development Bank of Pakistan (ICP Unit) | 284 | 0.00 |
| 03. | 00083-36 | IDBL (ICP Unit) | 81 | 0.00 |
| 04. | 03889-28 | National Bank of Pakistan | 367 | 0.00 |
| | | | 4 | 1,016 |
| | | | | 0.00 |

BANKS, DEVELOPMENT FINANCE INSTITUTIONS, NON-BANKING FINANCE COMPANIES, INSURANCE COMPANIES, TAKAFUL, MODARABAS AND PENSION FUNDS

| | | | | |
|-----|-------------|--|-----------|------------------|
| 01. | 2640 | Crescent Investment Bank Ltd. | 493 | 0.00 |
| 02. | 2520 | Crescent Standard Modaraba | 16,689 | 0.06 |
| 03. | 02113-21 | First Equity Modaraba | 16,425 | 0.06 |
| 04. | 2666 | First IBL Modaraba | 30,246 | 0.11 |
| 05. | 2529 | First UDL Modaraba | 88 | 0.00 |
| 06. | 03277-1651 | First UDL Modaraba | 1,336,789 | 5.01 |
| 07. | 02113-708 | First UDL Modaraba | 6,317 | 0.02 |
| 08. | 02139-29 | Premier Insurance Limited | 20,900 | 0.08 |
| 09. | 03277-78335 | Trustee National Bank Of Pakistan Employees Pension Fund | 59,008 | 0.22 |
| | | | 9 | 1,486,955 |
| | | | | 5.58 |

MUTUAL FUNDS

| S.No. | Folio No. | Name Of Shareholder | Number Of Shares | % age |
|-------|-----------|--|------------------|------------------|
| 01. | 14902-21 | CDC - Trustee National Investment (Unit) Trust | 1,279,306 | 4.80 |
| | | | 1 | 1,279,306 |
| | | | | 4.80 |

GENERAL PUBLIC FOREIGN

| | | | | |
|--|--|-----|---|---|
| | | NIL | - | - |
| | | | - | - |

FOREIGN COMPANIES

| | | | | |
|-----|------|--------------------------------|----------|-------------|
| 01. | 2351 | Boston Safe Deposit & Trust Co | 395 | 0.00 |
| | | | 1 | 395 |
| | | | | 0.00 |

OTHERS

| | | | | |
|-----|-------------|---|-----------|----------------|
| 01. | 01917-33 | Prudential Securities Limited | 15 | 0.00 |
| 02. | 03277-45147 | Edujee Dinshaw (Pvt.) Limited | 33,334 | 0.12 |
| 03. | 03277-82127 | Trustee National Bank of Pakistan Emp Benevolent Fund Trust | 2,068 | 0.01 |
| 04. | 03293-38 | S.H. Bukhari Securities (Pvt) Limited | 316 | 0.00 |
| 05. | 03525-87235 | Maple Leaf Capital Limited | 1 | 0.00 |
| 06. | 05587-48203 | Stock Master Securities (Pvt.) Ltd | 70 | 0.00 |
| 07. | 05868-28 | Cliktrade Limited | 140 | 0.00 |
| 08. | 10181-24 | Horizon Securities Limited | 1 | 0.00 |
| 09. | 14241-22 | Fikree's (Smc-pvt) Ltd. | 4,202 | 0.02 |
| 10. | 04705-87224 | Federal Board of Revenue | 20,519 | 0.08 |
| 11. | 02113-3850 | Capital Financial Services (Pvt.) Limited | 2,000 | 0.01 |
| 12. | 14753-20 | Arif Habib Limited - MF | 117,500 | 0.44 |
| 13. | 16857-26 | Mra Securities Limited - MF | 28,500 | 0.11 |
| 14. | 02113-3611 | First Udl Modaraba Staff Provident Fund | 2,190 | 0.01 |
| 15. | 03277-89483 | Trustees of First UDL Modaraba Staff Provident Fund | 11,497 | 0.04 |
| | | | 15 | 222,353 |
| | | | | 0.83 |

GENERAL PUBLIC LOCAL

| | | | | |
|--|--|--|-------------|------------------|
| | | | 1502 | 4,329,222 |
| | | | | 16.23 |

TOTAL

| | | | | |
|--|--|--|-------------|-------------------|
| | | | 1545 | 26,670,045 |
| | | | | 100.00 |

| No. of Shareholders | Shareholdings/Slab | | | Total Shares Held |
|---------------------|--------------------|----|----------|-------------------|
| 749 | 1 | to | 100 | 8,974 |
| 262 | 101 | to | 500 | 70,564 |
| 156 | 501 | to | 1000 | 113,926 |
| 258 | 1001 | to | 5000 | 581,058 |
| 45 | 5001 | to | 10000 | 331,169 |
| 22 | 10001 | to | 15000 | 290,648 |
| 9 | 15001 | to | 20000 | 148,344 |
| 7 | 20001 | to | 25000 | 152,239 |
| 6 | 25001 | to | 30000 | 165,913 |
| 5 | 30001 | to | 35000 | 157,194 |
| 3 | 35001 | to | 40000 | 115,477 |
| 1 | 40001 | to | 45000 | 43,265 |
| 1 | 45001 | to | 50000 | 45,012 |
| 1 | 55001 | to | 60000 | 59,008 |
| 1 | 60001 | to | 65000 | 60,334 |
| 1 | 65001 | to | 70000 | 68,000 |
| 2 | 70001 | to | 75000 | 141,516 |
| 1 | 85001 | to | 90000 | 86,378 |
| 2 | 90001 | to | 95000 | 184,529 |
| 1 | 95001 | to | 100000 | 95,262 |
| 1 | 110001 | to | 115000 | 111,500 |
| 1 | 115001 | to | 120000 | 117,500 |
| 1 | 145001 | to | 150000 | 145,483 |
| 1 | 170001 | to | 175000 | 173,949 |
| 1 | 180001 | to | 185000 | 180,107 |
| 1 | 285001 | to | 290000 | 286,696 |
| 1 | 410001 | to | 415000 | 411,080 |
| 1 | 510001 | to | 515000 | 513,884 |
| 1 | 690001 | to | 695000 | 690,484 |
| 1 | 1275001 | to | 1280000 | 1,279,306 |
| 1 | 1335001 | to | 1340000 | 1,336,789 |
| 1 | 18500001 | | 18505000 | 18,504,457 |
| 1545 | | | | 26,670,045 |

Proxy Form

The Company Secretary
United Distributors Pakistan Limited
 9th floor, NIC Building, Abbasi Shaheed Road,
 Karachi.

I / We _____
 son / daughter / wife / husband of _____
 shareholder of **United Distributors Pakistan Limited** holding _____
 ordinary shares hereby appoint _____
 who is my _____ [state relationship (if any) with the proxy; required by Government regulations]
 and the son / daughter / wife / husband of _____, (holding _____
 ordinary shares in the Company under Folio No. _____) [required by Government] as my / our proxy, to
 attend and vote for me / us and on my / our behalf at the Annual General Meeting of the Company to be held on October 25, 2018
 and / or any adjournment thereof.

Signed this _____ day of _____ 2018.

Witnesses: (A)

Signature _____

Name _____

Address _____

CNIC / Passport No. _____

Witnesses: (B)

Signature _____

Name _____

Address _____

CNIC / Passport No. _____

Signature on Revenue
 Stamp of Rs. 5/-

Signature of Member(s)

Folio No. _____

CDC Participation I.D. No. _____

Sub Account No. _____

IMPORTANT:

- The member is requested:
 - To affix Revenue Stamp of Rs. 5/- at the place indicated above.
 - To sign across the revenue Stamp in the same style of signature as is registered with the Company.
 - To write down his Folio Number.
- In order to be valid, this proxy must be received at the registered office of the Company at least 48 hours before the time fixed for the Meeting, duly completed in all respects.
- CDC Shareholders or their proxies should bring their original Computerized National Identity Card or Passport along with the Participant's ID Number and their Account Number to facilitate their identification. Detailed procedure is given in the Notes to the Notice of AGM.



Pakistan

The Company Secretary
United Distributors Pakistan Limited
9th floor, NIC Building, Abbasi Shaheed Road,
Off: Shahrah-e-Faisal, Karachi.

AFFIX
CORRECT
POSTAGE



Pakistan

دی کینی سیکریٹری
یونائیٹڈ ڈسٹری بیوٹرز پاکستان لمیٹڈ
۹ ویں منزل، این آئی سی بلڈنگ، عباسی شہید روڈ
شاہراہ فیصل، کراچی۔

AFFIX
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چھ سالہ کلیدی افعال اور مالیاتی اعداد و شمار ایک نظر میں

درج ذیل اختصار چھ سالوں کے افعال اور مالیاتی نتائج کا ہے جس میں مالیاتی نتائج برائے زیر جائزہ سال شامل ہے:

| 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
|-------------------|---------|---------|-----------|-----------|-----------|
| (روپے ہزاروں میں) | | | | | |
| 36,896 | 39,054 | 35,001 | 19,910 | 27,402 | 19,537 |
| 1,078 | 594 | 248 | 4,158 | 5,317 | 5,915 |
| 369,734 | 581,908 | 790,774 | 1,004,720 | 1,153,542 | 1,257,612 |
| 15 | 2,766 | 2,325 | 2,550 | 3,942 | 4,424 |
| 22,399 | 113,997 | 82,332 | 75,261 | 79,306 | 112,801 |
| 430,122 | 738,319 | 910,680 | 1,106,599 | 1,269,509 | 1,400,289 |
| 91,839 | 183,679 | 183,679 | 202,047 | 242,456 | 266,702 |
| 317,121 | 525,944 | 676,276 | 831,610 | 929,180 | 998,056 |
| 408,960 | 709,623 | 859,955 | 1,033,657 | 1,171,636 | 1,264,758 |
| 21,162 | 28,696 | 50,725 | 72,942 | 97,873 | 135,531 |
| 430,122 | 738,319 | 910,680 | 1,106,599 | 1,269,509 | 1,400,289 |
| 369,847 | 402,921 | 339,619 | 335,352 | 399,687 | 451,049 |
| 277,673 | 94,844 | 137,683 | 150,894 | 185,526 | 223,972 |
| 277,174 | 110,308 | 116,942 | 109,768 | 156,249 | 166,439 |
| 10.39 | 4.14 | 4.38 | 4.12 | 5.86 | 6.24 |
| 74.94% | 27.38% | 34.43% | 32.73% | 39.09% | 36.90% |
| 64.44% | 14.94% | 12.84% | 9.92% | 12.31% | 11.89% |
| 0% | 0% | 0% | 0% | 0% | 2.5% |
| 0% | 0% | 10% | 20% | 10% | 15% |
| 0% | 0% | 18,368 | 40,409 | 24,246 | 40,005 |

استعمال کئے گئے اثاثے

پراپرٹی، پلانٹ اینڈ ایکویٹمنٹ
غیر مرنی اثاثے

طویل المیعاد سرمایہ کاری

طویل المیعاد قرضے اور جمع شدہ قوامت

خالص رواں اثاثے

مجموعی استعمال کئے گئے اثاثے

سرمایہ کے وسائل

جاری کردہ، طے شدہ اور ادا شدہ سرمایہ

محفوظ سرمایہ اور غیر مختص شدہ منافع

حصص یا فنڈنگ کی ایکویٹی

طویل المیعاد اور اتوائی واجبات

مجموعی استعمال شدہ سرمایہ

کل فروخت

منافع قبل از ٹیکس

منافع بعد از ٹیکس

فی شخص منافع (روپے میں)

مجموعی فروخت کا شرح فیصد

مجموعی استعمال شدہ سرمائے کا شرح فیصد

نقد (فیصد)

ذخیرہ (فیصد)

مسترد ذخیرہ رقم

پراکسی فارم

دی کمپنی سیکریٹری

یونائیٹڈ سٹری بیوٹرز پاکستان لمیٹڈ

9 ویں منزل، این آئی سی بلڈنگ، عباسی شہید روڈ

کراچی۔

میں / ہم۔

پسر ادختر ازوجہ / خاوند۔

شیئر ہولڈر۔

بابت یونائیٹڈ سٹری بیوٹرز پاکستان لمیٹڈ حامل۔

عمومی شیئرز بذریعہ ہذا۔

کاتقررت کرتا ہوں / کرتے ہیں۔

جو میرا ہمیری (رشتے کی نوعیت بیان کریں) (اگر کوئی ہو) مع پراکسی حکومتی ضوابط کے

مطابق ضروری) اور پسر ادختر ازوجہ / خاوند۔

فولیو نمبر۔

سالانہ اجلاس عام اور اس کے کسی ملتوی شدہ اجلاس میں میرے / ہمارے لئے اور میری / ہماری جانب سے شرکت اور ووٹ ڈالنے کا اور ایسا کسی دوسری کاروائی میں حصہ لے گا۔

دستخط آج بروز۔

تاریخ۔

۲۰۱۸ء۔

گواہ (اے):

دستخط:

نام:

پتہ:

سی این آئی سی / پاسپورٹ نمبر:

گواہ (بی):

دستخط:

نام:

پتہ:

سی این آئی سی / پاسپورٹ نمبر:

اہم نکات:

۱۔ ممبران سے درخواست ہے کہ:

i. جس مذکورہ بالا جگہ پر نشانہ بنی گئی ہے وہاں -/۵ روپے کار یونیوا سٹیٹ چپاں کریں۔

ii. ریونیوا سٹیٹ چپاں کی طرح دستخط کریں جس طرز میں کمپنی کے پاس رجسٹرڈ ہو۔

iii. اس کا فولیو نمبر درج کریں۔

۲۔ منوثر بنانے کے لئے یہ پراکسی لازماً کمپنی کے رجسٹرڈ آفس میں ہر طرح سے مکمل صورت میں اجلاس کے لئے طے شدہ وقت سے کم از کم ۴۸ گھنٹے قبل موصول ہو جائے۔

۳۔ سی ڈی سی شیئر ہولڈرز یا ان کے پراکسیز اپنی شناخت میں سہولت کے لئے اصل کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ بشمول پارٹیشن کا آئی ڈی نمبر اور ان کے اکاؤنٹ نمبر لازماً ساتھ لائیں۔

مفصل طریقہ کار غیر معمولی اجلاس عام کی اطلاع کے نوٹس میں دیا گیا ہے۔

۵ روپے کار یونیوا سٹیٹ

دستخط ممبر (ممبران)

شیئر ہولڈر (ہولڈرز) فولیو نمبر۔

سی ڈی سی پارٹیشن آئی ڈی نمبر۔

ذیلی اکاؤنٹ نمبر۔

حسابی لائحہ عمل معقول اور زیرک فیصلے کی بنیاد پر ہیں۔

- بین الاقوامی مالیاتی گوشوارہ معیار، جیسا کہ پاکستان میں رائج ہے، جسے مالیاتی تفصیلات کی تیاری میں اپنایا گیا۔

داخلی نگرانی کا نظام وضع کے لحاظ سے مستحکم ہے اور اسے مؤثر طریقے سے اپنایا گیا اور اسکا مشاہدہ کیا گیا ہے۔ داخلی انضباطی نظام کے مشاہدہ کا طریقہ کار نگرانی کو مزید استحکام دینے اور نظام میں بہتری لانے کیلئے اس مقصد کے ساتھ جاری ہے۔

- کاروباری تسلسل کیلئے فنڈز کی حیثیت پر کوئی شہ نہیں ہے۔

- ادارتی انتظامی لحاظ سے کوئی میٹرل ڈپارچر نہیں ہیں جیسا کہ پاکستان اسٹاک اسٹاک ایکسچینج رول بک میں تفصیل سے درج ہے۔

- کمپنی کی انتظامیہ ادارتی بہتر انتظام پر کار بند ہے اور بہتری عملدرآمد کی تعمیل میں موزوں اقدامات کئے جا رہے ہیں۔

- ادارتی انتظامی لحاظ سے کوئی ڈپارچر نہیں رہی جیسا کہ قواعد کی فہرست میں تفصیل سے درج ہے۔

منتظمین کا تربیتی لائحہ عمل

تمام یو ڈی پی ایل بورڈ کے منتظمین مناسب طور پر ایس ای سی پی کے منظوری شدہ ادارہ سے تصدیق شدہ ہیں۔ جناب راشد عبداللہ ایس ای سی پی کی تربیت ضروریات سے مستثنیٰ ہیں گروپ آف کمیٹیز کے سی ای او کی حیثیت سے ان کے ۳۰ سالہ وسیع تجربہ کے باعث۔ درج ذیل منتظمین ایس ای سی پی کے منظور شدہ ادارے سے اسناد کے حامل ہیں:

- جناب ایس۔ ندیم احمد
- جناب زبیر پال والا
- جناب اسد عبداللہ
- جناب ایاز عبداللہ
- جناب سلمان چاؤلہ
- جناب طاہر سعید

ملازمین کے اختتام ملازمت پر فوائد کا منصوبہ

کمپنی اپنے ملازمین کو اختتامی فوائد پر ویڈنٹ فنڈ کی شکل میں فراہم کرتی ہے۔ ان امدادی فوائد کو باقاعدہ ٹرسٹ کی منظوری سے ترتیب دیا جاتا ہے۔ یہ ٹرسٹ تشکیل دیئے جاتے ہیں ٹرسٹیوں کی جانب سے جو ان فنڈز کی جانچ پڑتال کراتے ہیں۔

پروویڈنٹ فنڈ کی سرمایہ کاری لاگت ان کے حساب کردہ کھاتوں کی بنیاد پر بطورہ ۳۰جون ۲۰۱۸ء اور بطور ۳۰جون ۲۰۱۷ء بالترتیب درج ذیل تھی:

| 2017 | 2018 |
|--------------------------------|---------|
| ----- (روپے، ہزاروں میں) ----- | |
| 129,902 | 115,418 |

پروویڈنٹ فنڈ سرمایہ کاری کی شفاف لاگت

محاسب کمیٹی

یہ کمیٹی تین ممبران پر مشتمل ہے جو تمام غیر اعلیٰ منتظمین ہیں بشمول سربراہ کمیٹی۔

مجلس منتظمین کی جانب سے کمیٹی کی حوالہ شرائط کا تعین پاکستان اسٹاک ایکسچینج رول بک میں مہیا کردہ ہدایات کے مطابق کیا گیا اور کمیٹی کو اس پر عملدرآمد کا مشورہ دیا گیا۔ کمیٹی نے دوران سال چار اجلاس منعقد کئے۔

| نمبر شمارہ | نام منتظم | شرکت کردہ اجلاس |
|------------|--------------------|-----------------|
| 01. | جناب طاہر سعید | 3 |
| 02. | جناب ایاز عبداللہ | 4 |
| 03. | جناب زبیر پال والا | 4 |

مجلس منتظمین کے اجلاس

دوران سال، مجلس منتظمین کے پانچ اجلاس منعقد کئے گئے۔ ہر ایک منتظم کی شرکت درج ذیل تھی:

| نمبر شمارہ | نام منتظم | شرکت کردہ اجلاس |
|------------|-----------------------|-----------------|
| 01. | جناب راشد عبداللہ | 3 |
| 02. | جناب اسد عبداللہ | 4 |
| 03. | جناب زبیر پال والا | 5 |
| 04. | جناب ایس۔ ندیم احمد | 5 |
| 05. | جناب ایاز عبداللہ | 4 |
| 06. | جناب طاہر سعید | 4 |
| 07. | جناب سلمان حسین چاؤلہ | 4 |

مزید یہ کہ، غیر حاضری کی چھٹی ان منتظمین کو جاری کی گئی جو بورڈ کے کچھ اجلاس میں شرکت نہیں کر سکے۔

کمیٹی برائے انسانی وسائل اور معاوضہ جات

کمیٹی نے دوران سال ایک ملاقات کی۔ اس بورڈ نے ادارتی انتظام کے نظم و ضبط کے مطابق ایک کمیٹی برائے انسانی وسائل اور معاوضہ جات تشکیل دی ہے جو درج ذیل تین منتظمین پر مشتمل ہے:

- جناب سلمان حسین چاؤلہ
- جناب ایاز عبداللہ
- جناب زبیر پال والا

اندرونی محاسبہ کار

اندرونی ضابطہ لائحہ عمل پر مؤثر طریقے عملدرآمد کیا گیا سے بذریعہ محاسبی افعال کی تحویل بی ڈی او ابراہیم ایبڑکھٹی، چارٹرڈ اکاؤنٹنٹس کو جو کہ بیرونی محاسبی افعال کیلئے آزاد ہیں۔

مجلس محاسبہ کمیٹی کے بورڈ سہ ماہی بنیاد پر وسائل کی مناسبت اور اس افعال کے اختیار کا جائزہ لیتا ہے۔

سرپرست برائے اندرونی محاسب باضابطہ طور پر محاسبہ کمیٹی کو رپورٹ دیتا ہے۔ محاسبہ کمیٹی کے بورڈ اس محاسباتی مضمویہ کو منظور کرتی ہے جو فعال مقامات کے سالا نہ اور سہ ماہی تجزیہ کی بنیاد پر ہوتے ہیں۔

اندرونی محاسبہ کا کام مالیاتی، عملیاتی اور تعمیلی نگرانی کا جائزہ لیتا ہے اور محاسبہ بورڈ، اعلیٰ عہدیدار اور شعبہ جاتی انتظامیہ کو نتائج سے آگاہ کرنا ہے۔

قانونی محاسبہ کار

موجودہ محاسبہ کار، اے ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، ریٹائر اور بحیثیت اہل ہونے کے، خود کو دوبارہ تفری کے لئے پیش کرتے ہیں۔ مجلس منتظمین ان کی دوبارہ تفری بطور کمپنی کے قانونی محاسبہ کار کے محاسبہ کمیٹی کی تجویز کی توثیق کرتی ہے باہمی طے شدہ فیس پر برائے مالیاتی اختتام سال ۳۰ جون ۲۰۱۹ء کیلئے۔

حصص میں شراکتی داری کا نمونہ

کمپنی کے حصص میں شراکت داری کا نمونہ بطور ہ ۳۰جون ۲۰۱۸ء، بشمول ضروری معلومات ہمراہ رپورٹ بذامنسلک ہے۔

مستقبل کا خاکہ

ہمارا مقصد کسانوں کی، بہتری کے لئے اپنے سفر کو جاری رکھنا ہے بذریعہ ہمارے بے مثال خدمات اور اعلیٰ معیاری مصنوعات انہیں اس قابل بنانے کیلئے بہتر فضل حاصل کرنے کے قابل، اور اعلیٰ معیار کی غذا۔ اگرچہ زرعی شعبہ کا مسابقتی منظر نامہ شدت اختیار کر چکا ہے، کمپنی اپنی مسابقتی حیثیت اور افزائش ترقی میں بہتری کے اقدامات کر رہی ہے۔

ہم کمپنی کے ارتقاء کی توقع رکھتے ہیں افزودہ حشرات کش ادویات اور کیمیاوی کھادوں کی آمیزش کے ساتھ۔

ہم بنیادی عناصر پر سرمایہ کاری کرنے پر توجہ جاری رکھے ہوئے ہیں مثلاً ہماری ٹیم، نئے برانڈز، مصنوعات کی رجسٹریشن، صارفین کے بہتری، اور فعال اخراجات میں کمی جو ہمیں پائیدار ترقی کے حصول کے قابل بنانے کیلئے ہے۔

توثیق

منتظمین اپنے صارفین، بینکرز اور دیگر حصص یافتگان کا ان کی مسلسل حمایت اور حوصلہ افزائی پر شکریہ کا اظہار کرتے ہیں اور کمپنی کے ملازمین کی جانب سے ان کی گرانقدر خدمات کو سراہتے ہیں۔

برائے اور بورڈ کی جانب سے

اسد عبداللہ

چیف ایگزیکٹو آفیسر

کراچی، ۲۷ ستمبر ۲۰۱۸ء

ڈائریکٹرز رپورٹ

یونائیٹڈ سٹری پیوٹرز پاکستان لمیٹڈ (یوڈی پی ایل) کی مجلس منتظمین کو رپورٹ ہذا پیش کرتے ہوئے خوشی ہے، بشمول کمپنی کی محاسب کردہ مالیاتی تفصیلات برائے اختتام سال **۳۰/جون ۲۰۱۸ء**۔

رپورٹ ہذا کو کمپنی کی سالانہ عمومی مجلس منعقد مورخہ **۱۲۵ اکتوبر ۲۰۱۸ء** میں ارکان کو پیش کی جانی ہے۔

کمپنی کی مجلس منتظمین بطور مورخہ ۳۰ جون ۲۰۱۸ء مشتمل ہیں:

| نمبر شمارہ | ڈائریکٹرز | منتظمین کی کل تعداد |
|------------|-----------|---------------------|
| (الف) | مرد | 07 |
| (ب) | خاتون | - |

| نمبر شمارہ | تفکیل | منتظمین کی کل تعداد |
|------------|--------------------------------|---------------------|
| ۱- | آزاد منتظمین | 02 |
| ۲- | دیگر غیر اعلیٰ عہدیدار منتظمین | 04 |
| ۳- | اعلیٰ عہدیدار | 01 |

منتظمین کے نام بطور مورخہ ۳۰ جون ۲۰۱۸ء درج ذیل ہیں:

- جناب طاہر سعید
- جناب سلمان حسین چاؤلہ
- جناب راشد عبداللہ
- جناب ایاز عبداللہ
- جناب ایس۔ ندیم احمد

- جناب زبیر پال والا
- جناب اسد عبداللہ

کاروباری کارکردگی

یہ کمپنی اندراج رکھتی ہے مثبت خاکہ برائے زیر جائزہ سال اور پائیدار نشوونما اور تخلیقی اقدار کے طویل المدت اہداف مہیا کرنے کے عزم پر قائم ہے۔ یہ اہداف وسائل پر توجہ مرکوز کرتے ہوئے کمپنی کی مصنوعات کو مضبوط کرنے کیلئے، فعال مہارت، تخلیقی لاگت کی بہتری، اور خطوں اور صنعت و حرفت کے پھیلاؤ میں سرمایہ کاری کے ذریعے حاصل کیئے جا رہے ہیں۔

ان کوششوں کے نتیجے میں، کمپنی کی کارکردگی برائے اختتام سال ۳۰/جون ۲۰۱۸ء نے گزشتہ سال کی نسبت قابل غور بہتری ظاہر کی ہے اور کمپنی کے اہداف اور لائحہ عمل کے عین مطابق ہے۔

مالیاتی کارکردگی کمپنی کی برائے اختتام سال ۳۰/جون ۲۰۱۸ء مختصر اُورج ذیل ہے:

| | FY 2016-17 | FY 2017-18 | % Changes |
|---------------------------|------------|------------|--------------------------------|
| | | | ----- (روپے، ہزاروں میں) ----- |
| مجموعی فروخت | 399,687 | 451,049 | 12.85 % |
| جملہ منافع | 154,749 | 186,817 | 20.72 % |
| فعال منافع | 19,809 | 23,435 | 18.30 % |
| منافع قبل از ادائیگی ٹیکس | 185,526 | 223,972 | 20.72 % |
| منافع بعد از ادائیگی ٹیکس | 156,249 | 166,439 | 6.52 % |
| آمدنی فی حصص روپے میں | 5.86 | 6.24 | 6.48 % |

- کمپنی کی مجموعی فروخت ۲۵۱ ملین، گزشتہ سال کے مقابلے میں ۱۲.۵۸ فیصد اضافہ درج ہو رہی ہے۔
- کمپنی کا ہملہ منافع ۲۰.۷۲ فیصد کے حساب سے بڑھا اور ۴۱.۴۱ فیصد پر برقرار رہا گزشتہ رواں سال کے اے ۱۳.۷۱ فیصد کے مقابلے میں۔
- کمپنی کا فعال منافع، منافع قبل از ادائیگی ٹیکس اور منافع بعد از ادائیگی ٹیکس نماں طور پر ۱۸.۳۰، ۲۰.۲۷ اور ۶.۵۲ فیصد بالترتیب بڑھا۔

افزائش فروختگی اور منفعت میں خصوصاً کارفرما رہے نئے سالے امرکیت کی سختداند فروختگی تقسیم کاری، بہتر فروختگی آمیزش، مصنوعات کا خاکہ تبدیل کرتے ہوئے تجارتی پیمانے پر کوششیں بشمول اعلیٰ معیاری کی مصنوعات اور دیگر فعال اقدامات۔

ترتیل اور تقسیم کاری اخراجات گزشتہ سال کی رواں مدت کے مقابلے میں ۱۴.۲۸ فیصد سے بڑھے جو اعلیٰ فروختگی حجم، خطوں کے پھیلاؤ اور مرکوز شدہ شعبہ جاتی لاگت سے قابل منسوب ہے۔ انتظامی اخراجات میں

رواں سالہ مدت کے مقابلے میں ۷۹.۷۹ فیصد اضافہ درج ہوا جو ابتدائی طور پر عملہ کی لاگت میں اضافہ، عطیاتی ادائیگی اور عام افر اط زر کی وجہ سے ہے۔ دیگر فعال اخراجات میں ۳۵.۳ ملین کا اضافہ ہوا جس کی وجہ درآ مدتی ادائیگیوں کی مد میں کمپنی کی جانب سے برداشت کردہ زرمبادلہ کا نقصان ہے۔

آمدنی فی حصص

بنیادی آمدنی فی حصص بعد از ادائیگی ٹیکس ۶.۲۴ روپے (۲۰۱۷ء: ۵.۸۶ روپے)۔ ای پی ایس میں اس اضافے کا سبب فعال منافع اور شراکت داروں سے منافع کے حصص میں اضافہ ہے۔

کمپنی کے فی حصص کی بنیادی آمدنی میں کوئی تخفیفی اثر نہیں ہے، جیسا کہ کمپنی کے پاس ۳۰/جون ۲۰۱۸ء اور ۲۰۱۷ء تک کوئی قابل منتقل دستاویزات نہیں ہیں۔

شراکت داران کی جانب سے منافع کا حصہ

سال ۱۸۔۲۰۱۷ء کے دوران، کمپنی نے منافع کے حصص تسلیم کئے شراکت داروں سے۔ ایف ایم سی یونائیٹڈ (پرائیویٹ) لمیٹڈ، مطابق بین الاقوامی حسابی معیار ۲۸۔ انویسٹمنٹ این ایس ایف جوائنٹ وینچر۔

یوڈی پی ایل کے پاس ۶% فیصد یکویٹی اسٹیٹ ایم ایف سی یونائیٹڈ (پرائیویٹ) لمیٹڈ میں ہیں۔

محاسبین کی رپورٹ میں عیارتی مسئلہ پر تاکید

محاسبین نے اپنی رپورٹ میں نوٹ نمبر ۶.۳ پر توجہ دلائی ہے کہ کمپنی کے پاس حامل کمپنی کے ۸۵۲،۷۹۰،۱۱۰ حصص ہیں۔ یہ حامل کمپنی میں براہ راست سرمایہ کاری نہیں تھی۔ حصص یافتگان نے اپنی میٹنگ منعقد ۱۴ فروری ۲۰۱۱ء میں اپنے شراکت داروں میں سے ایک کے سرمائے کو آئی پی ایل میں بدلنے کیلئے مخصوص قرارداد منظور کی، اور اسی کو معزز سندھ ہائی کورٹ کی جانب سے منظور کردہ ایک انتظامی منصوبہ کے ذریعے منظور کیا گیا۔

اہم خطرات اور غیر یقینی صورتحال

اس حقیقت کے باوجود کہ کمپنی کی مالیاتی کارکردگی گزشتہ چند سالوں سے ممتاز رہی ہے اور کمپنی نے اپنے کامیابی کے سفر کو جاری رکھنے کیلئے اپنے راستے کی تمام رکاوٹوں کو کامیابی سے عبور کیا ہے۔ اب بھی مسابقت اور شرح زرمبادلہ اہم عناصر ہونگے جو کمپنی کی آئندہ مالیاتی تفصیلات سے متصادم ہو سکتے ہیں۔

حامل کمپنی

انٹرنیشنل رائٹرز لمیٹڈ۔ آئی پی ایل، جو یونائیٹڈ سٹری پیوٹرز پاکستان لمیٹڈ کی حامل کمپنی ہے جس کے پاس اس کمپنی میں ۰.۳۶ فیصد حصص ہیں۔

ڈیویڈنڈ

مجلس منتظمین نے مشاہدہ کیا کہ کمپنی کا اکثریتی منافع برائے اختتام سال ۳۰/جون ۲۰۱۸ء نمایاں آمدنی رقم

پر ہے۔ زیر تحت ’’شیئر آف پروفٹ ایسوسی ایٹ‘‘ ایسوسی ایٹ پر مشتمل ہے جو ڈیویڈنڈ آمدنی کی شکل کی نہیں وصول ہوئی۔ تاہم، مجلس منتظم نے اپنی میٹنگ منعقدہ ۲۷ ستمبر ۲۰۱۸ء میں ۲.۵% فیصد (۰.۲۵ روپے فی حصص) نقد ڈیویڈنڈ تجویز کیا اور ۱۵% فیصد (۱۰۰ حصص کیلئے ۱۵ حصص کے تناسب سے) اسٹاک ڈیویڈنڈ اختتام سال ۳۰/جون، ۲۰۱۸ء۔

ادارتی سماجی ذمہ داری (سی ایس آر)

یوڈی پی ایل اپنی اپنے تمام متعلقین بشمول معاشرہ جس میں ہم رہتے ہیں کی بہبود کیلئے پختہ عزم رکھتی ہے۔ ہم، یوڈی پی ایل پر، اسے طویل المدت کامیابی کا ایک اہم جز سمجھتے ہیں، لہذا اس کے ملازمین بشمول عموماً معاشرہ کی فلاح کیلئے ایک سی ایس آر منصوبہ زیر غور ہے۔

معلوماتی صنعت و حرفت

کمپنی یہ یقین رکھتی ہے کہ معلوماتی صنعت و حرفت کمپنی کو زیادہ موثر طریقے سے کام کرنے اور پیداواری صلاحیت کو بڑھانے کا باعث ہے۔ معلوماتی صنعت و حرفت تیز ترین مواصلاتی رابطہ، معلومات کا تبادلہ، اعداد و شمار کے تجزیہ اور فیصلہ سازی کو بہل بناتی ہے۔

کمپنی اپنے معلوماتی نظام کو کاروبار کی بڑھتی ہوئی ضروریات کے تحت ترقی دینے میں کوشاں ہے بشمول معلوماتی صنعت و حرفت کے میدان میں ہونے والی تیز رفتار تکنیکی ترقی۔

ویب سائٹ

ہمارے تمام متعلقین اور عوام الناس یونائیٹڈ سٹری پیوٹرز پاکستان لمیٹڈ (یوڈی پی ایل) کی ویب سائٹ www.udpl.co.pk ملاحظہ کر سکتے ہیں جس میں کمپنی کی مصنوعات، سالانہ، ششماہی اور سہ ماہی مالیاتی تفصیلات موجود ہیں۔

اختتامی تقریب

رپورٹ میں کسی مواد کی تبدیلی ۳۰/جون ۲۰۱۸ء سے تا حال نہیں ہوئی ہے اور اس مدت کے دوران کمپنی نے ایسا کوئی معاہدہ نہیں کیا ہے جو کمپنی کی مالیاتی حالت میں کسی منفی اثر کا باعث ہو۔

ادارتی اور مالیاتی معلوماتی خاکہ

بورڈ کو یہ بیان کرتے ہوئے خوشی ہے کہ کمپنی کی انتظامیہ پوری طرح ادارتی نظم و ضبط پر کار بند ہے۔ بورڈ ادارتی اور مالیاتی معلومات خاکہ کے سلسلے میں اپنی ذمہ داریوں کو تسلیم کرتا ہے اسی لئے بیان کرتا ہے کہ:

- کمپنی کی انتظامیہ کی جانب سے تیار کردہ مالیاتی تفصیلات شفاف طریقے سے پیش کرتی ہے اپنے معاملات، ادارتی نتائج، نقد گوشوارے، اور ایکویٹی میں تبدیلی کو۔
- کمپنی نے باقاعدہ کتابی کھاتے ترتیب دیئے ہیں۔
- مالیاتی تفصیلات کی تیاری میں موزوں کھاتے داری نظام کا بدستور اطلاق کیا گیا اور مالیاتی تفصیلات